

INTERSTATE COMMERCE COMMISSIONER

Hugh M. Tate, of Tennessee, to be an interstate commerce commissioner for a term expiring December 31, 1936.

ADDITIONAL COUNSEL OF THE PUBLIC UTILITIES COMMISSION OF THE DISTRICT OF COLUMBIA

Richmond B. Keech, of the District of Columbia, to be additional counsel of the Public Utilities Commission of the District of Columbia, to be known as the people's counsel, vice Fleharty, resigned.

HOUSE OF REPRESENTATIVES

SATURDAY, February 8, 1930

The House met at 12 o'clock noon and was called to order by the Speaker.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

We know that our Redeemer liveth; praise God. Come with us to-day with calm assurance. Thou art not only our Creator but our divine, earthly Father. Not until love lies dead and memory is dead and the door of the past is closed, not until hope has lost its outlook and aspiration is perishing in despair, and not until all that makes men noble lies in dust can the flame of infinite love be extinguished. Keep before us the high standards of gentleness, chastity, and forgiveness as they are revealed in Thy Holy Word. If we have affliction, may it mellow our hearts and open them toward humanity and make us more patient with the failings of other men. Amen.

The Journal of the proceedings of yesterday was read and approved.

PERMISSION TO ADDRESS THE HOUSE

Mr. FRENCH. Mr. Speaker, I ask unanimous consent that I be granted about 15 minutes of time for a discussion of the American proposal at the London Naval Conference following the disposition of the pending unfinished business.

The SPEAKER. The gentleman from Idaho asks unanimous consent that after the disposition of the bill now pending he may be permitted to address the House for 15 minutes. Is there objection?

Mr. GARNER. Mr. Speaker, I do not want to object and I am not going to object, but may I suggest to the gentleman from Idaho the propriety of the Congress at this time discussing the work of our delegates at the London Naval Conference. I noticed a statement in the morning paper to the effect that in another body a man holding the same high position which the gentleman from Idaho holds in this body was criticizing the action and position of our delegates. I doubt the advisability of that.

We have sent some very leading men over there and they are laboring according to their best viewpoint, and for the Congress now to begin to heckle or criticize them does not seem to me to be in the interest of our Government.

Mr. FRENCH. Mr. Speaker, I am in accord with the gentleman who has just spoken, and it is with the thought of presenting a point of view that I think will be helpful that I have asked for a few minutes of time.

Mr. GARNER. I appreciate the gentleman's interest in the matter, but I always hesitate to make suggestions to representatives without being on the ground and knowing the situation. The suggestions which the gentleman will make in his speech may be helpful, but, again, they may not be helpful, and I still insist that the gentlemen who are in London representing this country are quite able to take care of the interests of this Republic.

Mr. FRENCH. May I say that I had not thought of making suggestions to our conferees, but, rather, interpreting a question which, I think, through some criticisms, to which the gentleman has referred, has been given a wrong slant in our country.

The SPEAKER. Is there objection?

There was no objection.

DISTRICT OF COLUMBIA COURT CONGESTION

Mr. SIMMONS. Mr. Speaker, I ask unanimous consent to address the House for 15 minutes.

The SPEAKER. The gentleman from Nebraska asks unanimous consent to address the House for 15 minutes. Is there objection?

Mr. O'CONNELL of New York. Mr. Speaker, reserving the right to object, we understood yesterday that nothing was to interfere with the progress of the pending bill, and, in effect, we had that assurance from the Republican leader.

Mr. TILSON. Mr. Speaker, as I understand, the matter concerning which the gentleman from Nebraska wishes to speak

could probably be brought up under personal privilege. I hope he will not bring it up in that way, however. Personally, I should prefer to have him bring it up under unanimous consent rather than as a matter of personal privilege, which would entitle him to the floor for an hour.

Mr. O'CONNELL of New York. If it has the sanction of the Republican leader, I am satisfied.

Mr. TILSON. It has, under the circumstances.

The SPEAKER. Is there objection?

There was no objection.

Mr. SIMMONS. Mr. Speaker, in connection with my work as chairman of the subcommittee of the Committee on Appropriations handling the District of Columbia bill it has been found advisable on a number of occasions to use the services of the Bureau of Efficiency in checking expenditures, in checking proposed expenditures, and, in general, securing information for the benefit of the committees and Congress. The service of the Bureau of Efficiency is well known to the Congress and this city. The recommendations it has made have resulted in saving to the District several hundred thousand dollars. So there need be no question about the work of the Bureau of Efficiency.

For a number of months complaint has been made in Washington that the courts of the city were not functioning effectively. The common way of relieving a situation of that kind is to suggest that we provide more judges and increase the pay roll. Some weeks ago the statement was made to me that jurors were complaining about wasting their time and being kept away from their business and their usual activities while the courts did nothing on jury cases. Also knowing that the jury work of the District of Columbia in the trial court, the Supreme Court of the District of Columbia, was behind some one or two years in civil cases and behind some two years in criminal cases. The District attorney's office announced some months ago that they would try only those cases where the defendants were in jail, while the cases of the men who were out on bond would be postponed indefinitely. I asked the Bureau of Efficiency to make a study of the courts. There was no attempt to supervise the judges in their judicial work. I made one simple request, and that was that I have a report as to the time the courts of the District of Columbia—the police, municipal, and the Supreme Court—were in session.

We are entitled to know that because we are carrying in the District bill annually large sums of money for witness and jurors' fees. We are confronted with a request for more judges, more salaries, and more employees. The Bureau of Efficiency made that study. Its report was submitted to me some three or four weeks ago, and on last Tuesday, I think it was, in the hearings on the District bill, when we reached the items for the courts and in particular the request for an appropriation to cover witness and jurors' fees, we called before us two of the judges of the Supreme Court, as well as judges of the municipal and police courts. At that time we had a frank discussion of the delays that were had, in particular in the Supreme Court. At that time I advised them of the report received from the Bureau of Efficiency on the hours during which they were holding court.

The reports show that over a period of a week, the six judges in the Supreme Court, which is the court of general jurisdiction here, sat on an average of less than 15 hours a week, or for a working day of five days a week, an average of less than three hours a day, usually holding no jury sessions on Fridays, and doing absolutely nothing on Saturdays.

This was done with a purpose to expedite the work of the court, speed up activities, and at the same time conserve the expenditure of public funds.

As Members of Congress know, the hearings before committees are not released to the public until after those who have testified have an opportunity to review and correct them. In the Committee on Appropriations they are not released to the public or the press until the bill is reported to the House. This is the rule our subcommittee and the other subcommittees have followed.

After we had had the hearings the stenographers submitted their transcript on Thursday morning. The transcript was sent to the Municipal Building. Some time before noon on Thursday the transcript of the hearings before our subcommittee was sent to the supreme court building in a sealed envelope and delivered to the United States marshal's office for correction by the marshal, who had testified, and for correction by the two judges who had appeared before us. The transcript was delivered early in the afternoon to the clerk of the Supreme Court of the District of Columbia, and about 5.30 that afternoon was locked up in one of the rooms of an assistant clerk of that court. I am unable to tell where the transcript was in the meantime.

On Friday morning the Washington Post carried verbatim copies of that transcript, showing that some one connected with that paper had had access to the transcript of some 50 pages of typewriting; had kept it long enough to read it and to make exact copies of several portions of it.

That was yesterday. This morning we have this editorial in the Post:

The House District subcommittee made its contribution to the current discussion of court congestion and the law's delay by recommending that justices of the District of Columbia Supreme Court arrange their schedules so that they would spend more time on the bench. The suggestion was made in connection with the request for additional judges.

This is not true, of course. We have no jurisdiction to consider that matter in our committee and did not attempt to exercise it. The investigation was made in connection with a request for witness and jurors' fees to serve in courts that operate less than three hours a day.

It seems that snoopers have sat in the District Supreme Court keeping time on the judges. The report by the snoopers covers a period of one week, and shows what time each of the justices appeared on the bench, the exact time the court was recessed for lunch, the hour and minute when the afternoon session began, and the time when the adjournment was taken for the day. The average per day of actual bench duty by a judge was three hours in this particular week. Who paid the wages of these snoopers?

Representative SIMMONS, chairman of the committee that holds the purse strings of the District, says: "If I can stop it, there will be no more judges until we get some evidence that the judges we have already are working harder down there than this record shows they are." He does not make clear whether he paid for the snoopers out of his own pocket or whether he has a slush fund with which to carry on secret investigations. Possibly he borrowed snoopers from the Prohibition Bureau.

If the snooper system is to be installed in Washington, its operations should be universal. Spies should be put on the trail of Representative SIMMONS and all other Members of Congress.

[Laughter.]

If there is any paper published anywhere in the bounds of the United States that has no right to lecture any citizen of this country, in or out of office, on ethics or conduct it is the Washington Post. [Applause.] Stick a long pole down into the cesspool of all the slime and mire that there is in the oil scandal, and the contemptible, unpatriotic conduct of the owner of the Washington Post still smells to high heaven. [Applause.] Then they attempt to lecture a Member of Congress upon his conduct in a matter of this kind.

Now, what are the facts? They say we had no right to have the Bureau of Efficiency, a Government institution serving the people of the District of Columbia without cost to them, investigate a matter of public expenditure. They say this is snooping, when they themselves stole the material that they printed. They say they are going to have me investigated. I welcome that. I have 350,000 people in my district, and I rather imagine they are keeping a pretty close tab on what I am doing. If the Washington Post cares to check my conduct, either in my personal or official capacity, if it would make a study of my conduct on the floor of the Congress, in the committee rooms, in my family and social life, I welcome it. I challenge it to publish a comparative statement of the conduct of any Member of this Congress—because they include all of you in this proposed investigation—either mine or any other Member, in parallel columns, the personal conduct of any Member of Congress with the personal conduct of the man who owns the Washington Post. Every Member knows that no such comparative statement will be made. If the Washington Post cares to have the comparative records printed, I welcome the comparison.

Now, it wants spies put on the trail of us. If they had had a spy on my trail, gentlemen, on Thursday night when the press of the Washington Post was running through unreleased and stolen matter—that spy would have found me at 1 o'clock in the morning in my home with the table covered with data, figures, and requests for funds in the District of Columbia appropriation bill. If investigating the expenditures of public funds and the conduct of an official in his official capacity and work is a crime or subject to adverse criticism in the District of Columbia, then, gentlemen, I am guilty.

We are trying in Washington to do what I believe all citizens want, and that is to secure a legitimate, honest expenditure of public funds, and secure maximum service for money expended. If the Washington Post objects to this, that is its right. If it can operate its business without supervision of employees, if it can run its business when its employees work not to exceed 15 hours a week for a full week's wage, then it is doing much better than the average business man. I am not so much con-

cerned about that part of it now as I am the comparison of the situation that exists regarding this particular incident.

The respectable newspaper men of Washington knew what transpired in the committee. They all refused to print a word of it until there had been a legitimate, orderly release of the story. I honor them for it. The only paper in Washington that violated that rule is the Washington Post. Now it attempts to lecture me and the subcommittee with which I am associated, and the Bureau of Efficiency, and Congress for unprofessional ethics. [Applause.]

INVITATION TO ATTEND THE CIVIC AND MILITARY PARADE IN ALEXANDRIA ON WASHINGTON'S BIRTHDAY

Mr. MOORE of Virginia. Mr. Speaker, I ask unanimous consent to address the House for three minutes.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. MOORE of Virginia. Mr. Speaker, I have been requested to deliver an invitation to this body, which I will ask the Clerk to read.

The SPEAKER. Without objection, the Clerk will read.

The Clerk read as follows:

ALEXANDRIA, VA., February 6, 1930.

To the House of Representatives:

The city of Alexandria, Va., in keeping with the custom which has been observed from the year following the death of General Washington, will celebrate on Saturday, February 22, the anniversary of his birth by an impressive civic and military parade, which will be witnessed by the President of the United States and the Governor of the State of Virginia. The George Washington Birthday Association, which in connection with the authorities of the city is arranging for the celebration, wishes to extend to the Members and officers of the House of Representatives a most cordial invitation to be the guests of the city on that occasion of honoring the memory of the illustrious first President.

GEORGE WASHINGTON BIRTHDAY ASSOCIATION,

By M. E. GREENE, Secretary.

Mr. MOORE of Virginia. Mr. Speaker, it is hardly necessary for me to say that I identify myself most heartily with the invitation. As suggested in what has been read the practice of observing the anniversary of the birth of General Washington was instituted in Alexandria, on February 22, 1800, a little more than two months after his death on December 14, 1799, and has been maintained ever since.

A resolution was adopted yesterday providing for exercises in this House on the 22d of February. My understanding is that the proposed exercises will begin at 11 o'clock, and as the parade in Alexandria does not start until 2.30 in the afternoon ample opportunity will probably be afforded for gentlemen here to go to Alexandria who may desire to do so, and I very much hope that such may be the desire of many. I am informed that places on the reviewing stand will be provided for those who honor the city with their presence. [Applause.]

ADDRESS OF REPRESENTATIVE SELVIG, OF MINNESOTA

Mr. CLAGUE. Mr. Speaker, I ask unanimous consent to print in the RECORD an address delivered by my colleague the gentleman from Minnesota [Mr. SELVIG] at Chicago, February 7, relating to the agricultural situation.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The address was as follows:

RADIO ADDRESS ON AGRICULTURAL COMPETITION

My agricultural friends, northwestern Minnesota holds its annual Red River Valley agricultural shows and meetings next week at Crookston, which it will be my privilege to attend. Former Gov. Frank O. Lowden was a guest four years ago and delivered a great address there. James C. Stone, vice chairman of the Federal Farm Board, will speak there this year. He will be greeted by a large audience anxious to gain first-hand knowledge of the aims and purposes of the Farm Board.

As one who has had the opportunity for many years to work with farmers, it is a great privilege to speak for a few minutes to-day to the far-flung radio audience in this hook-up.

THE FEDERAL FARM MARKETING BOARD

The people of the United States will sanction a national farm policy which will grant to farmers economic equality. Recent experience has clearly demonstrated that economic insufficiency for agriculture spells disaster for the Nation.

Higher taxes, increased interest obligations, higher transportation costs, and higher nonagricultural commodity costs, which have come since the war, can only be met by increased farm income, or the farmer is bankrupt and his morale destroyed.

While I shall stress the legislative side of our agricultural problem, I am fully aware that no one within the sound of my voice believes that all of agriculture's difficulties can be remedied or wholly removed by legislation. No one is so shortsighted as to maintain that laws are a panacea for all ills, and that legislation will work miracles. There are other important factors that must play their part.

On the other hand, there is a definite field for Federal farm legislation. In the first place, small-scale competitive marketing of farm products must be replaced by large-scale collective merchandising wisely planned in the light of dependable economic information. Such a program, successfully carried on, will materially increase the total farm income.

The recent special session of Congress created the Federal Farm Board to assist the farmers in carrying out such a program.

The Federal Farm Board act clearly states the objectives that are being sought. To the critics of the plan let it be said that Congress commanded the Federal Farm Board to do exactly what it is doing. In the declaration of policy of this act, laying down the rule of practice for the board, is the statement:

"That it is hereby declared to be the policy of Congress to promote the effective merchandising of agricultural commodities—by encouraging the organization of producers into effective associations or corporations under their own (note these words) control for greater unity of effort in marketing and by promoting the establishment and financing of a farm-marketing system of producer-owned and producer-controlled (mark these epochal words) cooperative associations and other agencies."

The Federal Farm Board has no choice but to apply the powers delegated to it for the purpose to which it is committed. It follows the Nation's mandate. The House of Representatives overwhelmingly favored this legislation by a vote of 366 to 35.

You are aware that very broad powers were granted by Congress to the Farm Board. They may go as far as the ingenuity and desires of the board dictate in effecting what needs to be done. They may find a way to act and to do most anything which its considered judgment believes will bring about the desired objective of farm relief.

The disparity which now exists in the farm price of agricultural commodities when compared with other commodities is receiving the attention of the board. It is recognized that price stabilization alone is not enough. Farmers are concerning themselves more than ever before with the level upon which the farm prices are stabilized. The farm price must be above the world level because in the United States industry and labor are above.

If additional authority is required by the Federal Farm Board, in order to function as Congress intended, the voice of the organized producers will be a potent factor in securing this authority. The stabilization corporation provisions of the act will have to be utilized to the fullest extent. Even with that, many honest and sincere advocates of farm parity feel we are attempting to place too much responsibility upon the producers under the present farm marketing act. Only the future will determine that. Practically all are agreed that this act is going to help.

But it will succeed only if the vast majority of the farmers determine that it shall succeed. The farmers of to-day must fight for effective collective merchandising as did labor when it sought and gained its most cherished possession, that of collective bargaining.

This brings me to my closing thought with regard to effective merchandising of farm products. It is my honest and sincere conviction that without restraint on the part of the producers themselves, no Federal act or plan can hope to succeed. If a farm commodity is produced in excess of domestic requirements, its price rests on the world level. The greater the surplus the harder it will be to secure a price above that of the world level, which should be the objective.

This is agriculture's most difficult problem. Unwieldy surpluses are price depressing. On the other hand, no one favors doing entirely away with surpluses. It simply can not be done. Neither should it be done.

Production should be adjusted to effective demand, based upon an American price level. Concerted planning by all the producers of a given commodity is the most important first step. The creation of constantly increasing surpluses will break any organization of producers. Hit and miss production programs are certain to bring disaster.

There must be a careful survey of market requirements. Support your Federal Farm Board in its efforts to encourage research to find new uses for farm products, to utilize farm by-products, to broaden the market by seeking new outlets, to increase consumption wherever that can be done, to encourage planting wood lots and to discourage occupancy of marginal farm lands. The board is acting in your own interest in promoting these activities.

All producers should support their commodity group.

I want to congratulate the American farmers on having a strong Federal board to look after their interests. If you will all do your part, 1930 and succeeding years will show great improvement in the economic status of American agriculture.

THE TARIFF

Now, a few words about the tariff before I close. In the first place, I want to reaffirm approval of President Hoover's message to the special

session of Congress regarding tariff legislation, wherein he recommended limited revision in the interests, primarily, of agriculture. Our Speaker, Hon. NICHOLAS LONGWORTH, expressed this point of view when he stated a general revision should not be attempted.

The bill is yet before the Senate, where it has been greatly improved from the standpoint of benefits to agriculture. The pending bill is beginning to emerge in form that it should have had from the start.

The farmers have rightfully insisted and demanded that the benefits accruing to them from tariff changes should outweigh the added burdens imposed upon them.

Many beneficial agricultural tariff rates have been quite definitely agreed upon. These include vegetables, fruits, nuts, cattle, meat, sheep, wool, mutton, poultry, and poultry products, dairy products, flaxseed, soybeans, and other nonsurplus products. This is a considerable list, and will be of material benefit to large groups of farmers.

Many of the agricultural rates are still far from what they should be. These rates should be increased to give the farmer the home market. If the present rate does not do this, it is meaningless.

The campaign slogan, "The home market belongs to the American farmer," became a household term during the last campaign. The solemn pledges to support "legislation which will give this [the home] market to him to the fullest extent of his [the farmer's] ability to supply it" was voiced upon every occasion. Now the farmers demand that these pledges be made good. They have a right to make this demand and to insist that the pledges shall be carried out.

Conservative estimates indicate that over 33,000,000 acres of crop land in the United States are displaced annually by competitive agricultural imports that are sold and consumed in this country. This area displaced by farm products that could be grown and produced here equals twice the cultivated farm area of my own State of Minnesota. It exceeds the combined cultivated crop area of all the New England States, New York, Pennsylvania, New Jersey, Ohio, and Oregon combined.

Agricultural products amounting to over \$1,000,000,000 in value are imported into this country annually in competition with our American farmers.

This home market is the great stake our farmers have in the pending tariff bill. However, the task to give to the American farmers their home market is not free from difficulties.

First there is the Philippine Islands problem. Sugar and vegetable oils from those islands are imported duty-free because the Philippines fly the American flag. This problem can not be decided in the consideration of a tariff bill. The issue will be brought before the American people for a full and impartial hearing. Let me say, in passing, that the increasing duty-free imports from our island possessions is agriculture's greatest menace at the present time.

The home market should be given producers of casein, casein substitutes, flaxseed, dried milk, milk, blackstrap molasses, fresh and frozen beef, eggs, potatoes, and various starches. I have no patience with those who oppose proper tariff protection against substitutes for identical domestic farm products. They are protecting industry at the expense of agriculture when they take that position.

Then there is a class of very important farm products which receive very little, if any, tariff benefits. These are the so-called surplus crops and products. Unless the protective tariff system is made effective for all of our farm products, the result will be to penalize several large groups of producers.

To give these classes of producers at least partial tariff benefits the debenture provision has been placed in the Senate draft of the tariff bill. This provision makes it optional with the Farm Board to issue export debentures. It should be given approval in order to give the plan a trial.

The purpose of the debenture is directly to benefit the producers of wheat, rye, barley, corn, oats, swine, and cotton, and indirectly to take the pressure off the dairy and livestock groups, thereby giving benefits to all. The dairy producers are already experiencing the results of expanded production which has practically placed their products in the surplus class. Our most thoughtful leaders are giving the debenture idea very careful consideration. It is being advocated by an increasing number of farmers all over the country.

There are those who glibly suggest that producers of these important surplus crops should shift to nonsurplus products. It is manifestly impossible to do this. The creation of burdensome surpluses must be avoided, but normal production must continue if our farmers' income is not to be unduly curtailed.

The farmers must continue to fight for a tariff law such as the President called the Congress into special session to enact. The voice of the farmers should be heard during the remaining weeks that the tariff bill will be before Congress. Let the voice be clear and resonant, so that all may know what is demanded.

You will not be asking for charity or sympathy. You will simply be demanding your rights under the now universally accepted American system of protection.

The farmer is not opposed to proper rates for industry. The interdependence of industry and agriculture is well known. The farmer,

however, demands that the tariff work for his interests as effectively as it does for industry.

The Federal farm marketing act and its companion, the pending tariff bill, must together grant justice to the farmers. The former is already on the statute books. The latter is still before the bar of public opinion in this country.

The tariff bill must be shaped to give substantial benefits to all classes of farmers, to producers of every domestic farm commodity.

Those of us who are enlisted in the fight for equality for agriculture urge you, one and all, to enter the fray. Put in your best efforts now.

It is my sincere hope and wish that the coming year will bring to the farmer complete readjustment. For all of you, urban and rural, I wish a full measure of happiness and contentment throughout the year.

PETITIONS IN SUPPORT OF H. R. 7825

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by inserting at their request some petitions sent me by the disabled, uncompensated veterans of the World War in this country in favor of H. R. 7825.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. UNDERHILL. Reserving the right to object, I have received some of these petitions, and I have no doubt other Members of Congress have received them. I think the total number of signers will run into the thousands. I have heard it stated as high as 60,000. It adds nothing to the value of the petition; it adds nothing to the value of the legislation sought to have these names printed in the Record. It simply clutters up, or fills up, the Record with a lot of names which mean nothing to anybody except those who live in the immediate vicinity of the signers.

Mr. RANKIN. Will the gentleman yield?

Mr. UNDERHILL. I yield.

Mr. RANKIN. That is not my attitude. When one of these disabled veterans appeals to me, no matter where he comes from, it is the appeal of a man who has served his country in time of war. But if the gentleman from Massachusetts objects to the post-office address and names in the Record, then I should like at least to insert the petitions themselves. They are addressed to the Congress of the United States and that means every individual Member of Congress, and it registers the heartbeats of the American people, appealing to Congress to do something about the situation.

Mr. UNDERHILL. Further reserving the right to object, if the gentleman feels that it will give any additional information to Congress other than it now has, I will not object; but I do object to a list of names that I feel is not necessary.

Mr. RANKIN. Then, Mr. Speaker, I modify my request and ask to extend my remarks in the Record, and to insert the petitions without the names.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi as modified?

Mr. TILSON. Further reserving the right to object, are these petitions duplicates?

Mr. RANKIN. If they are, I shall only insert one copy. I have no disposition to clutter up the Record with unnecessary material any more than has the gentleman from Connecticut or the gentleman from Massachusetts.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I regret very much that the gentleman from Massachusetts [Mr. UNDERHILL] objected to inserting in the Record the names of these disabled veterans who signed these petitions. He says there are possibly 60,000 of them. I do not doubt it, but they are the names of 60,000 ex-service men of the World War who offered their lives in defense of their country and who are now disabled and need their country's help.

I am satisfied that more than 60,000 telegrams and letters have come to the Members of Congress within the last 10 days appealing to them to support the Rankin bill (H. R. 7825), and to oppose the efforts now being made by the leaders on the committee on World War veterans' affairs to sidetrack it for other legislation.

These boys know, to express it in their own words, that through the passage of H. R. 7825 is their only hope for adequate justice at this session of Congress. These men who are now disabled and uncompensated are appealing to us as Members of Congress to manifest the same patriotic spirit which they manifested in 1917-18, and bring to them some measure of relief.

This bill extends the presumptive period for tuberculosis from January 1, 1925, to January 1, 1930, and amends the law to include all chronic constitutional diseases. It also repeals sections 206 and 209 of the present law, which limits the time in which these men may file their claims or make their proofs.

We started hearings on this bill before the Veterans' Committee about three weeks ago. Strange to say that instead of putting on witnesses friendly to the bill, the chairman of the committee called witnesses opposing the measure. They heard witnesses opposed to the bill for two weeks without permitting a single witness to testify who favored its passage—although representatives of ex-service organizations were present at all times ready and anxious to testify for the bill and to reply to those opposed to it.

Suddenly, like a clap of thunder from a clear sky, the leaders on the Veterans' Committee sidetracked this measure, without even permitting us to put on a single witness who favored it, and took up hearings on other legislation of less importance to the disabled men.

I have before me now petitions signed by thousands of ex-service men, disabled men, who fought their country's battle in times of war and who are now asking for a reasonable consideration at the hands of their Government in times of peace.

Here is one which comes from Castle Point, N. Y., and is signed by thousands of these unfortunate boys from such States as New York, Pennsylvania, New Jersey, and other North-eastern States. I wish I might be permitted to insert their names and addresses in order that you men from that section of the country might recognize the sons of your neighbors and your friends. The petition reads as follows:

UNCOMPENSATED DISABLED VETERANS OF THE WORLD WAR,
UNITED STATES VETERANS' HOSPITAL,
Castle Point, N. Y.

To the Congress of the United States:

Whereas thousands of World War disabled veterans are justly entitled to compensation, and are now denied same through discriminatory provisions in the World War veterans' act of 1924; and

Whereas these provisions set the date of January 1, 1925, prior to which time the veteran must conclusively prove with documentary proof, and to the satisfaction of the Veterans' Bureau, that his disability was then existent, which date is arbitrary, discriminating, and contrary to the principles of a square deal for our disabled World War veterans; and

Whereas we, the undersigned citizens, know that the people of these United States do wish and desire that our disabled veterans of the World War, be adequately and justly compensated through the amendment of the arbitrary legal technicalities existent in the World War veterans' act of 1924, to provide compensation to those veterans whose disabilities have developed since the aforesaid arbitrary and discriminating date, January 1, 1925;

Therefore, we most earnestly request and urge your support of Representative RANKIN's bill (H. R. 7825).

Here is one from Aspinwall, Pa., attached to which are several pages of names of men from Pennsylvania, West Virginia, Ohio, New York, and other States. I wish I could put their names in the Record. Read it, you men from those States, and catch a rumbling of that rising tide of public sentiment in this country in favor of this legislation.

ASPINWALL CHAPTER, No. 20,
THE DISABLED AMERICAN VETERANS OF THE WORLD WAR,
UNITED STATES VETERANS' HOSPITAL No. 103,
Aspinwall, Pa.

To the Congress of the United States:

We, the undersigned veterans of the World War, who are at present in the United States veterans' hospital at Aspinwall, Pa., and who, by reason of insufficient proof, can not establish a claim to compensation under the existing World War veterans' act, 1924, and who are anxious to regain our health and at the same time to keep our wives and families from suffering want and deprivation, earnestly petition the passage of the Rankin bill (H. R. 7825).

I have here another petition 4 or 5 feet long, signed by a large number of men from Georgia to Massachusetts. I am sorry these names can not go into the Record so that the Members of the House from Massachusetts could read them, for they would find that it contains the names of as patriotic men as any State has ever produced. This petition seems to have been hastily written, and reads as follows:

The Congress of United States:

We, the non-service-connected patients hospitalized here at the national military home, Dayton, Ohio, urgently request that the Rankin bill (H. R. 7825) be extended to January 1, 1930.

Here is one from Oteen, N. C., which literally contains thousands of names from practically every State in the Union. I wish I could insert their names in order that you might see that this appeal is coming from every congressional district in the United States. These poor men are now suffering from tuberculosis and are denied compensation because of the present

law and the interminable and insurmountable red tape of the Veterans' Bureau. This petition reads as follows:

To the Congress of the United States:

Whereas it has been brought to our attention that a large group of disabled veterans of the World War, who are victims of tuberculosis, are denied the allowance of service-connected disability compensation, through present law and time-limit date; and

Whereas, the disallowance of claims of these disabled veterans between the dates of January 1, 1925, and January 1, 1930, under such law and time-limit date has created an unjust discrimination which deprives them and their dependents of greatly needed financial aid: Therefore

We, the undersigned citizens, do hereby petition and request your action and support for the enactment of Rankin bill, H. R. 7825, to extend the date of service-connected disability allowance to January 1, 1930, to allow the benefits of compensation to disabled veterans of the World War who develop active tuberculosis prior to the date of January 1, 1930.

Thus you will see that while these petitions are different in verbiage they all contain the same appeal for this bill which they recognize as their only hope for real relief at this session of Congress. They responded to their country's call in times of war, and it is now our duty to respond to their appeal in this hour of their distress.

I know some of you will say that we are giving these men hospitalization. That is true as to a small number of them. But, even then, we are denying compensation to their wives and children, many of whom are suffering for the necessities of life or are forced to appeal to charity.

But some say it will take money to take care of these men. I grant you it will take money. Since this Congress convened, you have spent hundreds of millions of dollars that could have been better applied to this worthy cause. In the first place, you refunded income taxes for last year. You told us the amount refunded would be about \$160,000,000, but the Treasury Department now tells us that you gave back to those income-tax payers at least \$190,000,000, and it was stated on this floor, and, if I am not mistaken, it was stated in the message of the Chief Executive, that it was the intention of the administration, or the hope of the administration, to make the same reduction each year from now on. Less than one-fourth of that amount would pay every dollar the Rankin bill would cost. Instead of returning this amount to the already prosperous income-tax payers of the country, we could at least apply the small amount necessary to carrying out the provisions of this bill in order to relieve the sufferings of our uncompensated disabled veterans to whom we owe a debt of gratitude that we can never live to pay.

Not only that, Mr. Speaker, but in the French debt settlement, which was also passed since this Congress convened in December, Congress virtually gave to the French people \$2,500,000,000, extending over a period of 61 years. You also gave to Great Britain, in the British debt settlement some years ago, about \$2,000,000,000, and gave to Italy, in the settlement with that country, a billion six hundred million. If this rich and powerful country can be so generous to the peoples of other nations and with the prosperous income-tax payers of America, then we can afford to be generous, at least to the point of justice, to those brave men who defended the Nation's flag in times of war, and who are now unable to defend themselves in times of peace.

The American people are in favor of this bill. You talk about something voluminous! If I were to insert in this Record all the letters, all the telegrams, all the petitions, all the appeals that have come to my office from the people throughout the country, from American Legion posts, from Disabled American Veterans of the World War, from individual ex-service men, from the fathers, mothers, wives, and friends of these disabled men, it would take up infinitely more space than it would to have inserted in this Record the names of these 60,000 poor boys to whom the gentleman from Massachusetts referred.

The American people are behind this bill and they are not going to be satisfied to have it sidetracked or pushed aside. The Members of Congress are in favor of it. If the leaders on the Veterans' Committee would report it out at once and let it come to the floor of the House for a vote, it would pass this House by at least 4 or 5 to 1. And it would do the same thing in the Senate.

They may block this bill in the Veterans' Committee and prevent its coming to the floor of the House, but I want to serve notice now that I expect to keep up the fight to the very last, and if I am defeated in the committee, I shall bring the fight to the floor of the House and continue the battle for full and complete justice for our uncompensated disabled veterans of the World War.

PROHIBITION REORGANIZATION

Mr. WILLIAMSON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 8574) to transfer to the Attorney General certain functions in the administration of the national prohibition act, create a bureau of prohibition in the Department of Justice, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 8574, with Mr. HOOPER in the chair.

The Clerk read the title of the bill.

The Clerk read as follows:

SEC. 2. (a) There shall be in the Department of Justice a Bureau of Prohibition, at the head of which shall be a Director of Prohibition. The Director of Prohibition shall be appointed by the Attorney General, without regard to the civil service laws, and shall receive a salary at the rate of \$9,000 per annum.

(b) The Attorney General is authorized to appoint, without regard to the civil service laws, an Assistant Director of Prohibition and such attorneys as he deems necessary and, in accordance with the civil service laws, such other officers and employees as he deems necessary. The salaries of the assistant director and of all such attorneys, officers, and employees shall be fixed in accordance with the classification act of 1923, as amended (U. S. C., title 5, ch. 13; U. S. C., Sup. III, title 5, ch. 13).

(c) The Attorney General is authorized to designate any officer of the Department of Justice to act as Director of Prohibition during the absence or disability of the Director of Prohibition, or in the event that there is no Director of Prohibition.

(d) The personnel of the Bureau of Prohibition shall perform such duties, in the District of Columbia or elsewhere, as the Attorney General shall prescribe.

With the following committee amendments:

Page 2, line 6, after the word "with," insert "the competitive provisions of."

Page 2, line 14, after the word "officer," insert "or employee."

Mr. CHINDBLOM. Mr. Speaker, I move to strike out the last word, for the purpose of asking a question. Is it the purpose that the competitive provisions of the civil service laws shall be applicable to all appointments, including promotions? The gentleman knows that there are provisions under which after a person has come into the service he may have a non-competitive examination for promotion; and the departments and the Civil Service Commission frequently find it advantageous to conduct such an examination.

Mr. WILLIAMSON. Mr. Chairman, as I understand the situation, there are now in the Department of Justice about 1,400 employees who are under the civil service and about 2,800 not under the civil service. The employees now in the Bureau of Prohibition in the Treasury Department have all been selected under the competitive provisions of the civil service act; and in order to have uniformity in that section of the Attorney General's office dealing with the enforcement of prohibition, we thought the new appointees should serve under exactly the same conditions and be appointed in the same manner as the existing personnel.

Mr. CHINDBLOM. I think that would be the result without any question if these words "the competitive provisions" in the first committee amendment were not added. The draft originally read:

In accordance with the civil service laws.

Mr. WILLIAMSON. It would not be the result, for this reason: There is an exception in the civil service law which permits the Attorney General to select his employees either without any kind of examination or upon a noncompetitive basis, and if you leave out "competitive provisions," he can select them through noncompetitive examinations, and it was thought better to have them selected on a competitive basis, so as to come in line with the employees now in the prohibition service.

Mr. CHINDBLOM. Then it is the purpose to exclude any opportunity for noncompetitive examinations in this service?

Mr. WILLIAMSON. That is correct.

Mr. CHINDBLOM. And in that respect this service will differ from every other service in the Government subject to the civil service laws?

Mr. LEHLBACH. Oh, not in the slightest, if the gentleman will permit. Ordinarily the language "in accordance with the civil service laws" would put these people into the competitive service, but there is another provision of law which is of long

standing permitting the Attorney General in his discretion to make civil service appointments without competitive examinations, which applies to the legal staff, the attorneys, the law clerks, and so forth in the department. What is intended is to keep the prohibition agents in the same civil service status they are in at the present time, and in order to do it the language has to be explicit and say, in accordance with the committee amendment—

With the competitive provisions of the civil service laws.

It merely makes it as the law is now, and makes it as the civil-service system is applicable in all similar cases. It merely safeguards against taking advantage of legislation applicable peculiarly to the Department of Justice, which was enacted years ago.

Mr. CHINDBLOM. The gentleman knows that noncompetitive examinations may be held for promotion under the present civil service laws.

Mr. LEHLBACH. Surely.

Mr. CHINDBLOM. And not for original entry.

Mr. LEHLBACH. Oh, yes; in some instances they have noncompetitive entrance examinations.

Mr. CHINDBLOM. Is it the purpose to exclude that possibility by those words?

Mr. LEHLBACH. No; because this deals only with the original employment of these people.

Mr. WILLIAMSON. Mr. Chairman, I may state that this matter was thoroughly discussed by our committee with the Attorney General himself and also with the Assistant Attorney General, Mr. Youngquist, who will be in charge of prohibition enforcement, and both of them favor this provision.

Mr. CHINDBLOM. Mr. Chairman, with the explanation of the chairman of the Civil Service Committee, the gentleman from New Jersey [Mr. LEHLBACH], I have no objection to the language.

Mr. LAGUARDIA. Mr. Chairman, I rise in opposition to the pro forma amendment. Is it the intent of the committee and the bill to provide for appointees, directors, and attorneys outside of the civil service?

Mr. WILLIAMSON. That is correct.

Mr. LAGUARDIA. That is somewhat changing the present rule?

Mr. WILLIAMSON. It is changing the situation, so far as the Bureau of Prohibition in the Department of the Treasury is concerned, but in order to bring it into conformity with the services in the Department of Justice it is necessary to take the attorneys out from under the civil service, because no attorneys in the Department of Justice are appointed under the civil service.

Mr. LAGUARDIA. How about the director?

Mr. WILLIAMSON. The director and the assistant director are appointed also without regard to the civil service law.

Mr. LAGUARDIA. Not now?

Mr. WILLIAMSON. The assistant director is, but not the director.

Mr. LAGUARDIA. How about the administrators in the various districts?

Mr. WILLIAMSON. They will be appointed in conformity with the civil service laws as they are now.

Mr. MOORE of Ohio. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. MOORE of Ohio. Consider counsel in the administrator's office in one of the States—I do not know what his technical title may be. What will be his status under the present bill?

Mr. WILLIAMSON. He will be outside of the civil service if he is carried into the Department of Justice. If he continues in the service of the Bureau of Prohibition in the Treasury Department his status will not be changed.

Mr. MOORE of Ohio. As I understand it, this bill will take officers from under the jurisdiction of the Treasury Department and put them under the jurisdiction of the Department of Justice. Take the case of a legal adviser in one of the districts in the States. He has probably taken a noncompetitive examination; at any rate, is under the civil service now. Does the gentleman mean that this bill affects his status?

Mr. WILLIAMSON. A large number of attorneys who are at the present time employed in the Bureau of Prohibition in the Treasury Department are employed in connection with the permit system and are not employed in the law-enforcement section. These, for the most part, will undoubtedly remain in the Treasury, where they are. The Attorney General does not intend to take over any attorney who is not willing to leave the civil service and come into the Department of Justice. I do not believe any hardships will be imposed upon any of the

attorneys in the Treasury. The chances are that those who are taken over will have a more inviting future than those who remain.

Mr. MOORE of Ohio. Those who are now in the civil service and whose services are satisfactory do not need to change?

Mr. WILLIAMSON. They will not be disturbed. I am sure the head of the department will not force anybody into his department in cases where he does not care to come.

Mr. ESTEP. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. ESTEP. I would like to know about the attorneys in the various districts, at Pittsburgh, for instance, where they have five or more attorneys under the prohibition administrator. They will be turned over to the Department of Justice, will they not? They are under the civil service. Will they be discharged or will they have the right to transfer themselves from under the civil service and retain the positions that they now have?

Mr. WILLIAMSON. The transfers must be made by departmental order. Those that the gentleman refers to, or most of them, will probably remain in their present assignments, as the permit system will not be handled by the Department of Justice; but if any are utilized in the enforcement division, they will lose their civil-service status.

Mr. ESTEP. They go into the district courts the same as the district attorneys and handle the business of the administrator. What will they do?

Mr. WILLIAMSON. They will be taken over.

Mr. ESTEP. But will not the Department of Justice discharge them, inasmuch as the Attorney General reserves the right to appoint new men without having them take the civil-service examination?

Mr. WILLIAMSON. Those who are willing to accept a non-civil-service status will be retained. If they are unwilling to accept such status and can not be utilized in the Treasury Department or be placed elsewhere, they would doubtless lose their jobs.

Mr. TILSON. Those who come over will be appointed?

Mr. WILLIAMSON. Yes. They will be transferred and given appropriate assignments by the Attorney General.

Mr. TILSON. Will they be assistants to the Attorney General?

Mr. WILLIAMSON. Yes; substantially that. Most of them will undoubtedly be assigned work under the direction of the district attorneys.

The CHAIRMAN. The question now is on agreeing to the first committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read the next committee amendment.

The Clerk read as follows:

Page 2, line 14, after the word "officer," insert the words "or employee."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 3. (a) All attorneys, officers, and employees of the enforcement division of the Bureau of Prohibition in the Treasury Department are hereby transferred, without change in classification or compensation, to the Bureau of Prohibition in the Department of Justice, but such attorneys shall not be subject to the provisions of the civil service laws.

(b) All records, files, and property (including office equipment) of the enforcement division of the Bureau of Prohibition, and the portion of the unexpended appropriations for the Bureau of Prohibition in the Treasury Department apportioned for the use of such enforcement division, are transferred to the Bureau of Prohibition in the Department of Justice.

(c) Appropriations transferred by this act shall be available for expenditure by the bureau to which they are transferred as if such bureau had been named in the act making the appropriations.

With a committee amendment as follows:

Page 3, line 1, after the word "laws," insert a colon and in quotation marks the words "Provided, That all officers and employees of the Bureau of Prohibition who the Attorney General finds has heretofore or shall hereafter violate any provision of the Federal prohibition law, shall be dismissed."

Mr. WILLIAMSON. Mr. Chairman, I offer an amendment to the committee amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from South Dakota.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMSON: Page 3, lines 2 to 5, inclusive, strike out the quotation marks at the beginning and end of the proviso.

The CHAIRMAN. The question is on agreeing to the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The CHAIRMAN. The question is on agreeing to the committee amendment as amended.

Mr. PALMISANO. Mr. Chairman, I offer an amendment to the committee amendment.

The CHAIRMAN. The gentleman from Maryland offers an amendment to the committee amendment. The Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. PALMISANO: On page 3, line 3, strike out all after the word "have" down to and including the word "dismissed," on line 5, and insert in lieu thereof the following: "indictments for felony pending against them be suspended pending said indictments and those who have heretofore or shall hereafter violate any penal provisions of the Federal or State laws shall be dismissed."

Mr. WILLIAMSON. Mr. Chairman, I make a point of order against that, on the ground that the amendment is not germane to the bill or section or paragraph.

Mr. PALMISANO. I hope the gentleman will withhold his point of order for a moment.

Mr. WILLIAMSON. I will reserve it.

Mr. PALMISANO. Mr. Chairman, ladies and gentlemen of the committee, I am personally opposed to this bill, as I feel that Congress is establishing a bad precedent in transferring the police powers to a prosecuting official. While the present Attorney General may not abuse said powers, there is no saying what future Attorneys General and their subordinate district attorneys throughout the country may do. If they are inclined to do so, I fear that some time or another this department will be used as a political football, and for that reason I shall vote against this bill.

It has been contended by the majority party that the present Secretary of the Treasury Department is the best since Alexander Hamilton. Then why the necessity of a change?

This bill further provides by section 5 (a):

The Attorney General and the Secretary of the Treasury shall jointly prescribe all regulations under this act and the national prohibition act relating to permits and the forms of all applications, bonds, permits, records, and reports under such acts.

Under the present law, the Secretary of the Treasury makes those regulations, and if he is the best Secretary since Alexander Hamilton, why place a check upon an efficient official and place it in the hands of the Attorney General? It seems to me, Mr. Chairman, if there is any doubt about the enforcement of this law by the present Government officials, it should be taken from those officials and placed entirely in a new agency, but not in the hands of a prosecuting attorney. Nevertheless, I trust that this amendment will pass, as I am satisfied the bill is going to pass, and to that extent it will promote efficiency in the department.

The provision in reference to the officials and agents of the department if this amendment is adopted will read as follows.

I wish that the Members would pay special attention to this amendment. As far as I am concerned, my friends, all I want is to have respectable citizens enforce this law as long as you have it on the statute books, and I think we all ought to agree to that proposition. The provision would read as follows:

Provided, That all officers and employees of the Bureau of Prohibition who the Attorney General finds have indictments for felony pending against them be suspended pending said indictments and those who have heretofore or shall hereafter violate any penal provisions of the Federal or State laws shall be dismissed.

The only difference between the committee amendment and this amendment is this: The amendment offered by the committee provides that a man who has violated a penal provision of the Federal prohibition law shall be dismissed, while my amendment provides that if a man violates any law or has an indictment against him for the commission of a felony he shall be automatically suspended pending the indictment, and if he has violated or does violate any of the Federal or State penal laws he shall be dismissed. That is the extent of my amendment, and it seems to me the Members of this House, whether dry or wet, should agree to the provisions of this amendment.

The CHAIRMAN. Does the gentleman from South Dakota care to be heard on the point of order?

Mr. WILLIAMSON. Mr. Chairman, it seems quite apparent that the amendment offered by the gentleman from Maryland

to the committee amendment on its face is not germane. The only thing the section deals with is the appointment of officers and employees by the Attorney General, and the proviso simply deals with the matter of dismissal of certain employees who have violated or shall hereafter violate the prohibition laws. As I caught the amendment offered by the gentleman from Maryland this is new legislation upon a new subject matter and is not germane to the committee amendment.

Mr. LINTHICUM. Mr. Chairman, I can not understand why this amendment is not germane. The purpose of the committee amendment, as I understand it, is that anyone who violates a prohibition statute shall be dismissed. The gentleman from Maryland [Mr. PALMISANO] merely adds to that. His amendment provides that if a man is guilty of the violation of any statute of the United States he shall be dismissed, or if he is under indictment for the violation of any statute of the United States or of the States he shall be suspended pending the trial of the case. I do not see why it would not be germane. It is a matter of dismissal. It is a matter of who shall be employed and dismissed, and the gentleman from Maryland merely extends that a little farther and provides that if a man is guilty of violating any of the statutes of the United States or the States he shall be dismissed.

Mr. HASTINGS. Or indicted.

Mr. LINTHICUM. If indicted, then he shall be suspended.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. WILLIAMSON. The committee amendment has to do only with employees in the Prohibition Service who violate the national prohibition act, while the amendment offered by the gentleman from Maryland has to do with the violation of any and all laws, State or Federal.

Mr. HASTINGS. But it is by the same class of people?

Mr. LINTHICUM. Absolutely. The amendment offered by the gentleman from Maryland has the same purpose; that is, purification of the personnel of the Bureau of Prohibition. The gentleman merely extends it by saying that if a man violates any of the statutes of the United States he shall be dismissed. Why should such a man be employed in the Prohibition Bureau if he has violated some other statute perhaps of greater importance and be at liberty to be employed by the bureau if he has not violated the prohibition laws? Why is it not just as wrong to violate some other statute as it is to violate the prohibition act? Has it come about that a man can be employed in the Prohibition Bureau as long as he does not violate any prohibition statute and still be employed even though he violates any other statute.

Mr. COLTON. Will the gentleman yield?

Mr. LINTHICUM. Yes.

Mr. COLTON. But the amendment goes farther and provides for the violation of a State law, and the question I want to ask is: Who would be the judge as to whether he had violated a State law?

Mr. HASTINGS. Under the amendment, the Attorney General.

Mr. COLTON. But the Attorney General is not called upon to interpret State statutes.

Mr. LINTHICUM. In a State where we have concurrent enforcement would the gentleman say a man could violate a State law and still should be employed in the Prohibition Bureau?

Mr. COLTON. Under the present law and under the present amendment, they would have full authority to suspend.

Mr. HASTINGS. If the gentleman from Maryland will permit, the proposed amendment says that if a man has violated a State law or has been indicted he shall be suspended; and if information has been filed against him, either in a State court or in a Federal court, the Attorney General shall take the action suggested; and all this amendment seeks to do is to purify the personnel engaged in this work.

Mr. SWING and Mr. LA GUARDIA rose.

Mr. SWING. Mr. Chairman, on the point of order I want to make one suggestion. The Chair, of course, is informed of the general rule that where a section or an amendment simply deals with one class you can not add a new or an additional class. If it provides for two, you can add a third. Under this general rule, let me call attention to the fact that the amendment before the House provides for the class of employees that may be dismissed. The effect of the amendment to the amendment offered by the gentleman from Maryland [Mr. PALMISANO] is to add a new class, to wit, those who may be suspended, and is not, therefore, germane to the amendment now before the House, relating to those who may be dismissed.

Mr. LA GUARDIA. Mr. Chairman, I would like to be heard on the point of order. I am very much concerned in not restricting the latitude of amendments, and therefore I desire to

call the chairman's attention to the importance of his ruling in this case.

The point of order is raised to an amendment to the committee amendment. The question of germaneness therefore resolves itself into whether or not the amendment of the gentleman from Maryland [Mr. PALMISANO] is related to the subject matter of the amendment now before the committee for consideration.

The amendment of the committee gives certain directory instructions to the Attorney General that certain employees or agents shall be dismissed.

All that the amendment of the gentleman from Maryland [Mr. PALMISANO] does is to amplify and broaden, if you please, the purpose of the committee amendment. First, the committee amendment provides for his discharge in the event of a violation of the prohibition law and the amendment of the gentleman from Maryland [Mr. PALMISANO] provides for his dismissal in the event of a conviction of a crime, and further provides, under the general powers of the Attorney General given in this bill, a suspension in the event of an indictment.

This also is related to the subject matter of the bill for the reason that there is another qualification concerning these same employees, and that is that they must qualify under the competitive provisions of the civil service laws.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. LA GUARDIA. Certainly.

Mr. WILLIAMSON. I may say to the gentleman that the committee amendment is not germane to section 3.

Mr. LA GUARDIA. I believe it is.

Mr. WILLIAMSON. So the gentleman is not aided in his argument by saying that the amendment of the gentleman from Maryland is not offered to the section, but to the committee amendment and must be germane to the amendment offered by the committee. The amendment which the gentleman from Maryland [Mr. PALMISANO] has offered sets up an entirely different class and type of people who may be reached by the amendment, namely, those who have been guilty of committing some crime under the general law, no matter what it may be. The committee amendment is confined to those who may commit offenses against the national prohibition act and none other.

Mr. Chairman, I do not care to argue the matter further.

Mr. STAFFORD. If the Chair is in doubt, I wish to add one word supplementary to the position taken by the gentleman from New York.

The CHAIRMAN. The Chair will be pleased to hear the gentleman from Wisconsin.

Mr. STAFFORD. To my mind there can be no question but that the amendment offered by the gentleman from Maryland is in order.

In construing whether the amendment is in order, the point of view should be the same as if the subject matter of this proviso was in a separate bill under consideration by the House.

If the purport of this proviso was in a separate bill, what would be the scope of its consideration? Its purpose is to authorize the Attorney General to dismiss certain officers of the Government who have been found violating the penal provisions of the prohibition laws. This is a general enactment of law and it stands by itself.

With respect to the rule of its being related to one subject matter, the subject matter here is the conditions under which prohibition officers shall be retained in the service. For anyone to contend that this House can not act with respect to the character of men who should be continued in the service, as is intended by the amendment of the gentleman from Maryland [Mr. PALMISANO], is going to a ridiculous extreme. Such a construction would circumscribe to narrow limits the power of the House to legislate. This committee to-day under this proposed amendment is called upon to determine what should be the character of the men who shall enforce the national prohibition law. The committee amendment provides that heretofore or hereafter when they have been found guilty, they shall be suspended, and the purpose of the amendment of the gentleman from Maryland is merely to say that if they have been indicted they shall be suspended from the service. How any amendment could be more germane to the subject matter than the one under consideration I can not see.

Mr. DALLINGER. Mr. Chairman, I just want to call the Chair's attention to the fact that the amendment to the committee amendment increases the duties placed upon the Attorney General. It is a very easy matter for the Attorney General to determine whether an agent of his department has violated the prohibition law, but when you put upon him the duty of ascertaining whether an agent of his department has violated any law—Federal or State—that is certainly an entirely different matter.

Mr. STAFFORD. I have not argued the merits of the proposition, but the parliamentary question involved.

Mr. DALLINGER. It has been repeatedly held that where additional duties are imposed upon an officer of the Government that makes the amendment out of order.

Mr. LA GUARDIA. That is in an appropriation bill and not a legislative bill.

Mr. LEHLBACH. The gentleman from Massachusetts is arguing on the construction of a limitation on an appropriation bill.

The CHAIRMAN. The Chair is ready to rule. The point of order arises on the committee amendment, which reads as follows:

Provided, That all officers and employees of the Bureau of Prohibition who the Attorney General finds have heretofore or shall hereafter violate any penal provisions of the Federal prohibition laws shall be dismissed.

The gentleman from Maryland [Mr. PALMISANO] offers an amendment to the amendment, which reads as follows:

On page 3, line 3, strike out all after the word "have," down to and including the word "dismissed," on line 5, and insert in lieu thereof the following:

"Indictments for felony pending against them be suspended pending said indictments and those who have heretofore or shall hereafter violate any penal provision of the Federal or State laws shall be dismissed."

The point of order which is made against the amendment to the amendment is that it is not germane to the amendment, and the discussion on the matter has been an interesting one. The Chair is well aware of the fact that questions of germaneness frequently are very embarrassing and that it is frequently difficult to try to draw the exact line between that which is germane and that which is not germane.

In Cannon's Procedure in the House of Representatives, page 124, it is stated:

One individual proposition may not be amended by another individual proposition even though the two may belong to the same class.

It is hardly necessary to say that under this particular rule there have been many decisions in regard to germaneness. However, each question naturally arises on its own base, under its own given set of circumstances.

Germaneness means relevancy, relationship.

The question here is whether the amendment offered by the gentleman from Maryland has such relationship, such relevancy to the committee amendment as to permit it to stand in making it subject to a point of order.

Now, to be brief about it, the Chair believes that where there is introduced into the proviso which he has just read an additional subject matter, such as it seems apparent to the Chair has been introduced by bringing in State laws together with Federal laws, it seems to the Chair that the rule as to relevancy and relationship has been violated. It is not only an amplification as suggested here of the subject matter of the amendment offered by the committee but it seems to the Chair that not only does it amplify but it brings in a new body of matter, a new situation, that certainly is not relevant and not germane, and the Chair sustains the point of order.

Mr. WILLIAMSON. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

On page 3, line 3, after the word "heretofore," insert the word "violated."

Mr. WILLIAMSON. Mr. Chairman, that is a perfecting amendment to make it clearer.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

The CHAIRMAN. The question now is on the committee amendment.

Mr. STAFFORD. Mr. Chairman, I move to strike out the last word. I want to ask the gentleman from South Dakota as to the character of the finding of the Attorney General when he dismisses an employee from the service. Will it be a formal finding that he has been indicted—what is the nature of the supervision that the Attorney General is going to exercise over the entire force?

Mr. SCHAFER of Wisconsin. He will be guided by the facts as he finds them, just the same as a Member of Congress would use his knowledge of facts with reference to the dismissal of a person employed in his office.

Mr. STAFFORD. It has been stated on the floor that the Attorney General does not intend to have any person employed who has been addicted to drink or who has been found taking a drink. It has come under my observation in the trial of cases

that many enforcement officials in order to get facts are obliged to take a drink.

They are obliged to drink the liquor, hold it in their mouths, carry it in their throats, until they get to a private closet, and then put it in a bottle, and use it on trial as an exhibit. Does the gentleman claim that these men are going to be dismissed for violating the penal provisions of the Federal prohibition laws on that account? Is that to be a ground for dismissal? Take, for instance, the case of the St. Charles Hotel at Milwaukee which was closed. It was disclosed that the prohibition officers entertained chorus girls for weeks and weeks and months and months, at the expense of the Government in order to get an indictment. Is that the character of violation of Federal prohibition laws that will be warrant for the Attorney General to dismiss men from the service?

Mr. SCHAFER of Wisconsin. Mr. Chairman, if the gentleman will refer to the decisions of the courts, he will find that on a number of occasions they have ruled that within reasonable limits prohibition agents could obtain evidence in that manner. What I have reference to in supporting this amendment are the crooked, grafting, law-violating prohibition agents.

The gentleman well knows that in our city, Milwaukee, Wis., we had a Federal prohibition agent, whose name I shall not mention, who spent hundreds if not thousands of dollars of the taxpayers' money in going around having drunken parties with wild women and spending the money extravagantly, stating he had to do so in order to obtain evidence.

Mr. STAFFORD. Mr. Chairman, I am acquainted with the fact, as my colleague is, of a prohibition enforcement officer who was indicted by a Federal grand jury being continued in the service, and only within the last two weeks has he been found guilty of violating the law by taking bribes from illicit vendors of liquor. I was in sympathy with the amendment offered by the gentleman from Maryland [Mr. PALMISANO] to reach that kind of a situation by suspending him from the service. The prohibition enforcement office kept that officer in the employ of the Government on the pay roll after he was indicted, and yet, a Federal jury convicted him and a Federal judge in Milwaukee sentenced him to more than three years' imprisonment. I do not want to see that character of officer carried on the pay roll.

Mr. GIFFORD. Mr. Chairman, I move to strike out the last two words. I do this so that there may appear in the Record something about the activities of the Coast Guard. From the report of the committee I read this statement:

Division of authority, duties, and responsibilities is not conducive to the best results where a specific end is sought.

In the Record for the past two days I find no reference to what some time or other may happen to the Coast Guard. We know that the land forces of the Coast Guard have heretofore rendered valuable service. If the Prohibition Bureau is to be divorced entirely from the Treasury Department at this time it would seem that the activities of the Coast Guard would probably end after the goods are smuggled into the country. Heretofore they have taken a large part in the matter of transportation after the goods have actually been smuggled in, although there may not have been actual knowledge that the goods were smuggled in. The Coast Guard should be very much interested as to the way in which this bill may be pointing, and I would like to have the chairman of the committee state whether or not in his opinion a little later it will not necessarily follow that as far as the law enforcement in this matter is concerned that the Coast Guard and the border patrol will not have to be annexed to the Department of Justice. In the future shall the activities of the Coast Guard end after their duties preventing smuggling have ceased? Will their activities end as far as following up the transportation part of it is concerned?

Mr. HUDSON. Mr. Chairman, I move to strike out the last word. I do this in order to ask the chairman a question. In this committee amendment that we are discussing the word "heretofore" occurs. Will not that lead to endless confusion and trouble?

Mr. WILLIAMSON. So far as the language of this provision is concerned, it does not add anything new to the existing law. The Attorney General or the Secretary of the Treasury can now dismiss any officer who has been found, in his judgment, to violate any of the provisions of the prohibition or any other law. In other words, it is cause for dismissal if he has been guilty of violating the law. If the Attorney General should find that there are certain agents now in the employ of the Bureau of Prohibition who have been transferred to his department and who in the past have been guilty of violation of the law, he can dismiss them under this provision.

Mr. HUDSON. But he can do that without this provision.

Mr. WILLIAMSON. Yes. The amendment is intended to emphasize the duty placed upon the Attorney General to clean

up the forces in the Bureau of Prohibition. Much has already been accomplished in this line under the present management, I may say to the gentleman.

Mr. HUDSON. Does not the gentleman think the Attorney General would do this without the adoption of this amendment? Mr. WILLIAMSON. I have no doubt but that he will.

Mr. HUDSON. In other words, this amendment is of no effect, so far as the authority of the Attorney General is concerned, to clean up the report.

Mr. WILLIAMSON. No. It is put in here to emphasize the duty of the Attorney General to dismiss appointees who are themselves law violators.

Mr. HUDSON. Mr. Chairman, I want to support this bill and want to stand for what the Attorney General and the administration may want, but I shall vote against this amendment.

Mr. COLTON. Mr. Chairman, I rise in opposition to the pro forma amendment. When the committee adopted this amendment I submitted the matter to the Attorney General. I have always believed that this amendment is unnecessary and is really cumbering this bill with matter that should have no place in the law. The Attorney General, in reply to my inquiry, stated:

The proposal last stated is unnecessary. The bill specifically imposes upon the Attorney General the duty of enforcing the penal provisions of the prohibition laws. In view of that fact, it should not be necessary to enact a statute requiring dismissal from the service of those who violate them.

In other words, the bill itself imposes on the Attorney General the duty of enforcing the prohibition laws, and this simply adds to the statute a thing that is already conferred upon the Attorney General by the general provisions of the bill.

In other words, it is a lecture to the Attorney General to the effect that he shall do his duty. That lecture is not necessary. With the duty already conferred by law, it is simply superfluous to add the language contained in this amendment, and I concur with the Attorney General in the opinion that it is absolutely unnecessary, and I say we ought not to place it in the statute.

Mr. LEHLBACH. Mr. Chairman, I offer an amendment to the committee amendment.

The CHAIRMAN. The gentleman from New Jersey offers an amendment to the committee amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LEHLBACH: Page 3, line 5, strike out the word "prohibition."

Mr. WILLIAMSON. Mr. Chairman, I make a point of order to the amendment on the ground that it is not germane to the committee amendment. The purpose of the amendment now proposed is exactly that of the amendment offered by the gentleman from Maryland [Mr. PALMISANO]. It will greatly extend the number of laws for a violation of which employees must be dismissed. It would apply not only to the prohibition laws but to any laws whatever, State or national. It places upon the Attorney General new duties that are not placed on him by the committee amendment.

Mr. LEHLBACH. Mr. Chairman, an amendment that strikes out language and does not insert new language is germane because it does not contribute any new subject matter. That was the opinion held when the Lever Pure Food Act was under consideration during the World War. A Member offered a series of amendments to insert in the bill certain prohibition provisions, and the gentleman then occupying the chair, Mr. Hamlin, of Missouri, ruled out all amendments to strike out and insert as not germane, but when an amendment to strike out language and put in no new language was offered, he held it in order.

To strike out language does not add anything to the subject matter. This amendment says that the Attorney General shall dismiss any officer or employee of the Bureau of Prohibition who has heretofore violated or who shall hereafter violate any penal provisions of the Federal prohibition laws. Now the adjective qualifying "laws," the word "prohibition," merely qualifies the subject matter. It is perfectly competent and germane to strike out that qualifying word.

The CHAIRMAN. The Chair is not yet prepared to rule. The Chair would inquire of the gentleman is it not true that the striking out of the word "prohibition" would add to the subject matter here by including offenses other than those against the prohibition laws?

Mr. LEHLBACH. No; because the language of the subject matter that we are seeking to amend—I mean the committee amendment, which my amendment seeks to amend—is Federal laws; these are qualified by the word "prohibition." But striking out the qualification is not bringing in other subject

matter. If it were State laws, that would be different. But the subject matter here is Federal laws, and the amendment merely removes a limitation. The language stricken out is not subject to a point of order on the ground of germaneness. It has been so held repeatedly.

Mr. WILLIAMSON. Mr. Chairman, the committee amendment applies only to officers and employees of the Prohibition Bureau. If you strike out the word "prohibition," then the officials and employees may be dismissed for violating some traffic regulation or any Federal law other than the prohibition laws. The amendment proposed by the gentleman from New Jersey [Mr. LEHLBACH] simply adds innumerable laws to the prohibition law, for a violation of which employees of the Prohibition Bureau may be dismissed. The gentleman proposes to make any offenses against Federal laws the ground of removal.

Mr. LEHLBACH. I take away the qualification. Of course, a person is subject to dismissal without this amendment from the committee under general law in any department; but you make it mandatory on the Attorney General to dismiss any person who violates the provisions of the prohibition law. I am seeking to make it mandatory that he shall dismiss a man if he violates the Mann Act or some other Federal law.

Mr. GRIFFIN. Mr. Chairman, I ask the Chair whether the committee amendment may not be so construed that a violation of the prohibition law is the only offense for which it is made mandatory for the Attorney General to dismiss an officer or employee?

Mr. LEHLBACH. Yes. A violation of the prohibition law is the only offense for which it is made mandatory for the Attorney General to dismiss an officer. But that is not pertinent to the point of order.

Mr. GRIFFIN. Will not the effect of the amendment to strike out the word "prohibition," in line 5, be to open up the whole field of offenses, putting employees of the Government under penalty of discharge for the violation of any Federal law?

Mr. LEHLBACH. Yes; that is obvious.

The CHAIRMAN. The Chair is ready to rule. At first blush, when the amendment was first offered by the able gentleman from New Jersey [Mr. LEHLBACH], I thought the amendment was germane. But the Chair has changed his mind, and honestly changed his mind, during the discussion here. Having had time to think the matter over a little and having consulted with the parliamentary clerk a little about the matter, the Chair feels this way about it: The amendment offered by the committee provides, as the Chair has already stated in his earlier ruling:

That all officers and employees of the Bureau of Prohibition who the Attorney General finds have heretofore or shall hereafter violate any penal provisions of the Federal prohibition laws shall be dismissed.

The Chair thought at first that the canceling in the amendment of the word "prohibition" would be germane, but as he looks at it now he believes it would be enlarging, and enlarging very greatly, the scope of this amendment, and that it would be bringing into the amendment and into the purpose of the amendment a vast variety of other acts which are made crimes under the Federal law.

Therefore the Chair is inclined to hold, and does hold, that under the conditions the striking out of the term is not permissible and that the question of germaneness arises in the situation which confronts us, and sustains the point of order against the language of the amendment.

Mr. CRAMTON. Mr. Chairman, I rise in opposition to the committee amendment. It seems to me we ought to keep in mind the fact that the main purpose of this legislation is to place a great power in the hands of the Attorney General and to place a very heavy responsibility upon him. If we have not confidence in the Attorney General we ought not to pass this legislation putting that responsibility upon him. If we are to place that responsibility upon him we ought not to take any chance of tying his hands in a way that might interfere with the most effective enforcement. If we have confidence in him to justify this legislation we ought not to put in these trifling amendments that may appeal to us as to some detached cases and exceptional cases but which, nevertheless, may seriously interfere with real enforcement.

The committee ought not to delude itself about this amendment. It is mandatory. If the Attorney General is honest and he finds that a man has violated or hereafter violates the prohibition laws that man does not even have to be convicted; if the Attorney General finds that to be the fact he must dismiss him.

We prefer, of course, to have men of the very highest standing in the Government service, but in the enforcement of law there is a necessity some times for establishing a contact that

can not always be established through citizens of the highest character and of the least experience with the rough places of the world, and if the occasion rises, as very likely it will arise, in the enforcement of this law where the Attorney General finds that certain men will be the most effective agents in securing the enforcement of the law this House ought not to say that such men can not be employed.

I hope this amendment offered by the committee will be voted down.

Mr. LAGUARDIA. Mr. Chairman, I ask that the committee pause for just one moment to contemplate what is going on on the floor of this House at this time. We are considering a bill brought before us for the ostensible purpose of better enforcement. Here is a bill to reorganize the prohibition forces, and the gentlemen who are the sponsors of this bill and the gentlemen who claim to be in favor of strict enforcement seem to resent any attempt to write into the bill a provision which would exclude criminals from employment in the Department of Justice. [Applause.] That is all there is to it, gentlemen. Why this sudden rush to the defense of men who have been convicted of a crime, when, as a matter of fact, under the general law now in existence an ex-convict, a felon, or a man convicted of crime could not be continued in the Department of Agriculture and he could not be continued in the Department of State or any other department of the Government. I am at a loss to understand the defense at this time of men who violate the law, and it is only in the Prohibition Bureau that such men seemingly are wanted. Why, Mr. Chairman, I will give you an instance of a man who was indicted in Virginia by Federal agents, with two others, on a charge of conspiracy to violate the prohibition laws. Two of them went to trial, but they could not find the third man. He was a fugitive from justice. They were looking for him, and after the trial was over where do you suppose they found him? In the employment of the Prohibition Department up near Buffalo. Why, gentlemen, you really can not be serious in opposing an amendment which would protect the service and which would exclude from the service felons, criminals, and men who are convicted of a crime. I am sure I can not understand such inconsistency.

Mr. COLTON. Will the gentleman yield?

Mr. LAGUARDIA. Yes.

Mr. COLTON. I want to ask the gentleman this question: Is there any power the Attorney General needs to have that he does not have under the general provisions of this bill if we impose upon him the duty of enforcing this law?

Mr. LAGUARDIA. Yes; and I will tell it. I did not want to tell it, but I will tell it now. I want to present a situation which exists in the State of Washington, in Puget Sound, where you have administrators of prohibition who are violating or permitting violations of the law they are supposed to enforce, and when the Department of Justice tried to investigate, a great statesman in the other body and one of the foremost champions of prohibition, pulled the Department of Justice off. That is the kind of a situation we are trying to prevent. The conditions around Puget Sound are simply disgraceful and apparently hushed up by advocates of prohibition.

Mr. COLTON. If the gentleman will yield further, they have power to remove now.

Mr. LAGUARDIA. But if you get strong backers of prohibition to prevent the removal of crooks, then, of course, the public can not be protected. Just as now we see leading dries in the House protecting ex-convicts and criminals in their employment or continuity in the Prohibition Bureau.

Mr. COLTON. I think we can trust the Attorney General in that respect, if we are going to intrust with him the enforcement of this law.

Mr. WILLIAMSON. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close in five minutes.

Mr. LINTHICUM. Mr. Chairman, I object.

Mr. WILLIAMSON. Mr. Chairman, I move that all debate on this section and all amendments thereto close in five minutes.

The motion was agreed to.

The pro forma amendment was withdrawn.

Mr. BLACK. Mr. Chairman, I rise in support of the committee amendment. I think, in view of the purposes of the bill, it is a rather redundant proposition, because if the Attorney General is supposed to enforce the law against the public he certainly ought to be supposed to enforce the law against his own agents.

My principal reason in rising is to call attention to a couple of statements of the leading dry of the House, the gentleman from Michigan [Mr. CRAMTON].

The gentleman asked the House to have confidence in the Attorney General. The gentleman seems to have lost confidence in the Attorney General. The Attorney General has said

he would have nothing but dry agents, dry in minds and dry in throats. Now, the gentleman from Michigan insists that probably that is not the right type of agent; that we need a more vigorous type of agent; that we need agents who can make the right kind of contact in order to get evidence. In other words, according to the gentleman from Michigan, the slogan of the Prohibition Bureau after this should be that nothing but toppers be on guard.

The trouble with the committee amendment is that it does not go far enough. The amendment suggested by the gentleman from New Jersey [Mr. LEHLBACH] is the proper amendment. I was going to offer it myself, but the gentleman offered it before me.

Why is this the only law that the committee thinks the agents must obey? Why, evidently, the assumption is fair that a murderer might be employed by the Prohibition Bureau and the Attorney General would not have to throw him out, or a bribe taker, or anybody who has violated any of the other numerous penal provisions of the Federal laws, but this sacred law, according to the committee, must be upheld.

I do not know what we are coming to. Here we are wasting a lot of the time of Congress on this kind of proposition, yet the gentleman from Michigan, the leading dry of the House, the advocate of poison alcohol and this, that, and the other thing, here insists that those who drink are qualified to serve in the Prohibition Bureau.

I yield back the balance of my time, Mr. Chairman.

The CHAIRMAN. The gentleman from New York yields back three minutes.

Mr. LINTHICUM. Mr. Chairman, I rise to speak in favor of the amendment. I think if we want to purify the enforcement of the prohibition law, we should do it as far as may be possible. There is one question that rises in my mind in this connection.

The other day I had up the matter of an amendment to a bill that was going to be introduced in Congress, and I went to the department involved and I stated to them my views about it, and they said:

Yes; that looks fair and reasonable, but the trouble is if you put in that amendment, then it is going to open this matter to influence, and people will come up here and say that we ought to do this or that for them, and then they will bring certain influences to bear upon us to do it.

If we do not adopt this amendment, I will say to the gentleman from Michigan [Mr. CRAMTON], we will leave this matter of employment open to solicitation and influence. A man can go to the Attorney General and say to him, "This man violated this act five years ago and that was not such a very bad thing; it was not so considered at that time, and I want you to let him continue to be employed," or some other example or condition. If we do not adopt this amendment, it will leave the Attorney General open to all kinds of influence and annoyance with respect to keeping men in the service that should not be; and I rather think it would be gratifying to the Attorney General if the door were absolutely shut against people who have violated the law; the Attorney General would be in good position and the public protected, and I sincerely trust the amendment will be adopted.

The CHAIRMAN. All time has expired on this section. The question is on the committee amendment as amended.

The question was taken; and on a division (demanded by Mr. LINTHICUM) there were 110 ayes and 30 noes.

So the amendment as amended was agreed to.

NATIONAL COMMANDER WILLIAM J. MURPHY

Mr. SWING. Mr. Chairman, I ask unanimous consent to proceed, out of order, for one minute.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. SWING. Mr. Chairman and members of the committee, as you know, the disabled veterans of the World War are gathered together in a great national organization known as the Disabled American Veterans of the World War. Their organization is primarily interested in the welfare of disabled veterans, and particularly of those in hospitals. The national commander of this great organization happens to come from my district. He was a capable and valiant officer during the war and is to-day a genial, popular, energetic leader of this great organization. I am taking this time to call your attention to William J. Murphy, national commander of the Disabled American Veterans of the World War, who is now in the gallery. [Applause.]

PROHIBITION REORGANIZATION

The CHAIRMAN. The Clerk will proceed with the reading of the bill for amendment.

The Clerk read as follows:

SEC. 4. (a) The following duties are imposed upon the Attorney General:

(1) The investigation of violations of the national prohibition act, and violations of the internal revenue laws if a violation of such act is involved, for the purpose of enforcing the penal provisions thereof;

(2) The apprehension and prosecution of offenders against such act;

(3) The making of all seizures and enforcement of all forfeitures under such act, or under the internal revenue laws if a violation of such act is involved; and the remission or mitigation under section 709 of the revenue act of 1928 (U. S. C., Supp. III, title 26, sec. 2709), of any such forfeiture under the internal revenue laws; and

(4) The determination of liability for internal revenue taxes and penalties if a violation of the national prohibition act is involved, and the institution of suits upon, and compromise (before or after suit is brought) of, any cause of action under such act or under the internal revenue laws if a violation of such act is involved; but all assessments and collections shall be made under the direction of the Secretary of the Treasury, in accordance with existing law.

(b) The duty to make all investigations necessary in or incidental to administrative action with respect to permits and bonds given in connection therewith shall remain with the Secretary of the Treasury, but the Attorney General shall make such investigations as he deems necessary to prevent violations of, or for the purpose of enforcing the penal provisions of, the national prohibition act.

(c) The power under section 34 of Title II of the national prohibition act (U. S. C., title 27, sec. 51) to require copies of records and reports, the power to inspect records and reports kept or filed under the provisions of such act, the power to swear out warrants for offenders against such act, and the power and protection of section 28 of Title II of such act (U. S. C., title 27, sec. 45), are conferred upon the Attorney General, but such powers and protection shall also remain vested in the Secretary of the Treasury. All other rights, privileges, powers, and duties now conferred and imposed upon the Secretary of the Treasury and the officers and employees of the Bureau of Prohibition in the Treasury Department incident to the performance of the duties imposed upon the Attorney General by this act, including the bringing of suits to enjoin nuisances under the national prohibition act, are transferred to and conferred and imposed upon the Attorney General.

(d) The Attorney General is authorized to confer or impose any of the rights, privileges, protection, powers, and duties conferred or imposed upon him by this act upon any of the officers or employees of the Bureau of Prohibition or any other officer or employee of the Department of Justice.

The Clerk read the following committee amendments:

On page 3, line 20, strike out the word "laws" and the comma and insert the word "laws."

Page 4, line 20, strike out the words "have power to" and after the word "necessary," in line 21, insert "to prevent violations of, or."

Page 4, line 22, strike out "of" and insert the word "of" and a comma.

The committee amendments were agreed to.

Mr. CLANCY. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Page 4, line 20, after the word "investigations," insert a comma and the words "except investigations relating to permits and bonds given in connection therewith."

Mr. CLANCY. Mr. Chairman, the purpose of this amendment and amendments from me to follow to-day is to prevent dual control being invested in the Department of Justice and Treasury Department on alcohol permits. The purpose is to retain control of industrial alcohol permits in the Treasury Department.

It may be that this amendment and the amendments which are to follow will be voted down, but I am endeavoring to perfect the record to give testimony of legitimate big business in this country so that when the measure comes before the proper Senate committee the members will be moved to have public hearings and give big business a chance.

Every representative of the drug industry, paint, oil, and varnish industry, and the automobile industry with whom I have talked said that Mr. WILLIAMSON, chairman of that committee, was eminently fair and just as far as he was personally concerned. It is true that some retail druggists did give some testimony, but the representatives of the great industries did not get the chance to present their views at a hearing. Some representatives of the drug manufacturers did talk to Judge WILLIAMSON and had a dialogue with him, and they felt that they convinced him that a large measure of control should be retained in the Treasury Department handling business and not turned over partly to the Justice Department handling crimes. They

understand that their views were taken up in executive session, but were voted down.

On Friday I received telegrams indorsing my stand on this Williamson bill from H. S. Chatfield, president of the National Paint, Oil & Varnish Association, and also from Berry Bros. (Inc.), the largest varnish factory in the world, which is situated in my district in Detroit, and from the Acme White Lead & Color Works, one of the largest paint factories in the world, also situated in my district. These telegrams are as follows:

Attitude of National Paint, Oil & Varnish Association was fully set forth in resolution unanimously adopted at forty-second convention in Washington last October. * * * We approve transfer of policing functions to Justice Department but are convinced that Treasury is best fitted to handle legitimate business transactions.

H. S. CHATFIELD,
President National Paint, Oil & Varnish Association.

Much opposed to transfer of control industrial alcohol permits. Do what you can to have it remain in Treasury Department.

BERRY BROS. (INC.).

We are strongly in favor of retaining alcohol control in Treasury Department and will appreciate your efforts in accomplishing this.

ACME WHITE LEAD & COLOR WORKS.

Yesterday I cited the difficulty which the Henry Ford Hospital in Detroit had in getting an emergency prescription for the relief of a patient or patients.

The Henry Ford Hospital is above suspicion and is largely a charitable institution. I believe Mr. Ford's original contribution was \$5,000,000, and ever since it was established—and it has been operating now many years—he has suffered a loss of about \$1,000,000 a year.

That hospital is run largely by Johns Hopkins University men and they also are above suspicion, but when they demand a prescription with alcohol in it they immediately become possible criminals in the eyes of the Prohibition Enforcement Bureau. On September 30, 1929, the Henry Ford Hospital sent an urgent order to Parke, Davis & Co. for a prescription of elixir phenobarbital and one of the ingredients was alcohol and Parke, Davis could not fill the order until they got consent from Washington. I am told that it was an emergency prescription possibly involving an operation and I am informed that this drug is a sedative used to quiet hysterical or highly nervous persons. It is also used in extreme cases of neurasthenia where the patient is suffering acutely from being unable to sleep, and also in cases of nervous breakdowns.

I am not certain what the malady was, but the emergency was so great that Parke, Davis & Co. wired to Washington and then they long-distance-telephoned to Washington and then a personal interview was had with Dr. James M. Doran and then the permit was allowed, 18 days later, on October 18. Finally, the Henry Ford Hospital got the priceless medicine.

Now, that incident did not occur in backward China or oriental Turkey but it happened right here in the United States and originated in the most progressive and scientific city in the world—Detroit—but the prohibition people are not satisfied with having achieved that much wrong and placed lives needlessly in danger and caused useless suffering to innocent persons, but now they propose to add an additional 10 days' delay. They propose to take this matter out of the hands of the chemists and doctors and business men in the Treasury Department and turn it over to detectives and lawyers and 100 per cent prohibition-enforcement officials.

Now, the drug manufacturers say that if that happens they can never get an emergency prescription with all their telegraphing, long-distance telephoning through the Treasury Department in 18 days, because they can not always talk to the head of the bureau, and if so he will not always consent to call up the Assistant Attorney General to take up his time on a medicine prescription. Almost always they will have to deal with a subordinate, a doctor or a chemist in the Prohibition Bureau, and he will say absolutely, because of his training, in the bureaucratic style, "I dare not step on the toes of the Justice Department; I can not issue an emergency order; I can not do it by telegraph; I can not do it by long-distance phone, even though the drug company or the hospital pay the bills as they now do for the messages, but therefore must have the order in writing with the exact number of copies required, all duly signed and attested, and after I get all the papers in due course, we will send them out of the Treasury Department where they will lay for 10 days in the Justice Department, and if the patient has not died in that time the order will be forwarded to Detroit and he will get his medicine if he has not died in the interval of granting the order through dual action in the Justice Department and the Treasury Department and its receipt

in Detroit in the factory and its manufacture and its transportation to the hospital and its application by the doctor to the patient."

The House may want to know why many of the leading doctors and surgeons of the country have changed their views on the eighteenth amendment and why they are now opposing it so bitterly. One of these is Dr. Franklin Martin, of Chicago, perhaps the leading surgeon in the United States and the czar of the American Congress of Surgeons. Recently he came out emphatically against the eighteenth amendment and said that moderate use of alcohol, and particularly one or two drinks before meals, is a good thing for a man.

Also, the American Medical Association, who had its last convention on the Pacific coast at Seattle, I think, took an emphatic stand against the eighteenth amendment. Formerly many of these men had advocated it.

If you want the reason for some of these changes of opinion of these prominent men and the great benefactors of humanity you can find it in instances such as the application of the Henry Ford Hospital for a prescription to Parke, Davis & Co. and the inexcusable delay through Government interference through operation of the eighteenth amendment to its execution.

The proponents of this bill say that much of the injustice working upon druggists is cured by an amendment adopted at the last moment covering 90-day permits for druggists allowing them to sell whisky and which may not go to the Attorney General for the 10 days' probation and investigation period.

The gentleman from Wisconsin [Mr. SCHAFER] said yesterday that the National Association of Retail Druggists probably would not have sent their telegrams of opposition to the Department of Justice having a finger (under) this bill in the control of industrial-alcohol permits if they had known what Mr. WILLIAMSON's committee did at the last minute by putting through his amendment subsection (b) of section 6.

Now, I wish to make the point that druggists not only sell whisky for medicinal purposes but they sometimes have to send an order to drug manufacturers, such as Parke, Davis & Co., to make up prescriptions in a rush to cover emergency cases or even epidemics, when alcohol is one of the ingredients of the prescription. I wish to emphatically state that Mr. SCHAFER's amendment panacea does not cover this class of cases. I have that directly from Dr. James M. Doran this morning.

Druggists suffer a grievous wrong in this field under this bill. But temporarily leave the druggists out of the question and consider the great drug-manufacturing concerns. They get absolutely no relief under this amendment referred to by Mr. SCHAFER as a panacea for the drug trade. The matter is technical, but roughly this is the situation:

The big drug manufacturers get a basic permit—namely, the right to do business for a year, but that is not enough for them. They must continuously request supplemental permits; that is, if a druggist or a hospital or a college or a university or a research firm or a scientific group request them to make up a prescription with alcohol as an ingredient, Parke, Davis & Co. must take it up with Washington to get what is called a supplemental permit because their basic permit will not cover the situation.

Last year Parke, Davis & Co. alone had to ask for many, many supplemental permits. This bill provides for an additional 10 days' delay in granting such supplemental permits. The delay is already, under the present regulations, too long and works a dreadful hardship in cases of urgency or emergency where the sick or diseased or injured person needs the prescription immediately. It is a fearful handicap to the medical world.

Doctor Doran, Prohibition Commissioner, who is a chemist, said this morning that this amendment referred to by Mr. SCHAFER does not afford any relief to the drug manufacturers, and it does not afford any relief in the tremendously important field of supplemental permits.

I know that the recital of the details in this great wrong is largely falling upon deaf ears in this House, because the order has been given to rush through this bill, no matter how grievous the wrong and injustice to the American people, and particularly to the medical profession, that is incorporated in it; but I am making the remarks to clear my own skirts of any responsibility, and I am hoping that the Senate and its proper committee will give the American people, and particularly the medical world, a chance in its hearings to correct this injustice before the bill is returned to the House. I feel that there are many Members here who are now under orders to vote for this bill willy-nilly who will be glad to get an amended bill back from the Senate which will give them a chance to save precious lives and to prevent needless suffering.

It may well be said by the Members here to-day that it is the father or mother, the wife or the child, the brother or the

sister whose life is at stake, and when you vote for this bill you may be taking the responsibility of imposing needless suffering and perhaps the penalty of death upon your loved ones.

In any event you are exposing the American people to that horrible fate.

In my speech yesterday I complimented the gentleman from South Dakota [Mr. WILLIAMSON], whose name is attached to this bill, for his efforts to be fair in drafting the bill. It has been said here that representatives of the druggists appeared before the committee and secured an amendment. But it is also true that some representatives of the drug manufacturers did have a hurried and informal dialogue with Mr. WILLIAMSON alone, and they believe they convinced him that an amendment should be made to the bill retaining control of the permits in the Treasury Department alone. They also believe that Mr. WILLIAMSON made this suggestion to his committee, and that the suggestion was voted down, mainly because the request was made by the Attorney General that the bill should not be amended either by wets or dries.

If it is proper to transfer the control of industrial alcohol permits from the Treasury Department to the Justice Department, then certainly it follows that the food-and-drugs administration of the Agricultural Department must be transferred to the Justice Department, and it also follows that the administration of postal law violations must be transferred from the Post Office Department to the Justice Department, and it also follows that the Federal Trade Commission should be transferred to the Justice Department, if in all these three Government divisions the violations are worked up and then transferred to the Justice Department for prosecution.

If the American people have suddenly gone insane on crimes and criminals and wish to throw the bill of rights overboard and it becomes everybody's business to put his neighbor in jail under the Volstead Act or the Dyer Act or the violations of the Sunday blue laws or through the operation of anticigarette laws—which will soon be on the books as a Federal law if the Anti-Saloon League has its way—then why not build up the Department of Justice as the great towering department of departments with an army and navy of snoopers at its disposal and its long nose and long fingers in everybody's business?

Mr. SCHAFER of Wisconsin. Mr. Chairman, I rise in opposition to the amendment. I am opposed to this amendment, which is one of a series of amendments which the gentleman frankly states he intends to offer if it is adopted. The adoption of this amendment will destroy this consolidation bill. The consolidation as embodied in the pending bill can not be supported or opposed from a prohibition or an antiprohibition standpoint.

It can not be denied that one of the main causes for the deplorable conditions relating to prohibition enforcement in the past has been the illegal diversion of industrial alcohol, the statement of Doctor Doran, the present head of the Prohibition Unit, to the contrary notwithstanding. I do not agree with Mrs. Willebrandt, who has had charge of enforcing these laws for many years, in her position in favor of the retention of the prohibition laws, but I would rather take her statement after her experience, so far as the illegal diversion of industrial alcohol is concerned, than take the statement of Doctor Doran. The reports from the thirteenth district, headquarters in Chicago, recently sent to the committee and made public a few days ago, indicate that in the past—prior to Doctor Doran's administration—there were extensive diversions in the Chicago district, such as those brought to the attention of the American people by Mrs. Willebrandt in her book entitled "The Inside of Prohibition." The citation of the gentleman from Michigan [Mr. CLANCY] with reference to these reputable concerns is not of any vital interest and does not have a bearing on his amendment, because under the provisions of this bill, with his amendment not incorporated, you would be able to obtain the same service in that business transaction as you have obtained under the existing laws. In fact, I believe a better and more satisfactory service.

I am not one of those who want to harass physicians, druggists, or legitimate users of industrial alcohol. This consolidation bill will not do so. Ten years of prohibition have clearly demonstrated that something must be done to prevent industrial alcohol from being diverted to bootleg channels. Gentlemen of the House, be you wet or be you dry, it is far more important from a law-enforcement standpoint to write into the statute books provisions which will enforce the prohibition law against these great organized monopolies of bootleggers than it is to pester druggists, physicians, and poor men who, perhaps, may be in possession of or are transporting a bottle of 2.75 per cent beverage or a gill of distilled liquor. I ask the prohibitionists

and the antiprohibitionists in this House to unite and support the committee and vote down the pending amendment.

Mr. WILLIAMSON. Mr. Chairman, if this amendment should be adopted it would destroy the major purpose of this bill. Everyone knows that the leakage of industrial alcohol has been one of the prime factors which has tended to nullify the eighteenth amendment. The purpose of this bill is to give the Attorney General greater power to investigate all matters relating to the management and use of industrial alcohol, and to ascertain whether or not permittees are using it for unlawful purposes. Therefore, the Attorney General should have the right to investigate these permittees, and the manner in which they are dispensing industrial alcohol. If the amendment is adopted it will be impossible for him to do that.

Mr. CLARKE of New York. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMSON. Yes.

Mr. CLARKE of New York. Do I understand that the pharmaceutical drug companies over the United States or their attorneys were notified of your hearings and had their chance to appear, and that based on their representations you assured them that all of those who received permits and were using alcohol legitimately in their business would not find themselves hampered in any way?

Mr. WILLIAMSON. This does not go to that question. This goes to the question of whether or not the Attorney General shall have the right to investigate the permittees. He has the right now to investigate leaks, and so on, but he can go only to the door of the permittee. This bill permits him to go inside and examine books, records, and any other matter that will throw light on whether the permittee is complying with the law.

Mr. CLARKE of New York. Did the great industrial manufacturers have their day in court before the gentleman's committee?

Mr. WILLIAMSON. Yes. All who asked to be heard, were heard. If they failed to make a proper showing it is not the fault of the committee.

Mr. CLARKE of New York. Has not this bill been redrafted since that time?

Mr. WILLIAMSON. It has been amended some to meet their objections. The committee did not, of course, go the whole way with them. That would in large measure have destroyed what we were trying to accomplish. They did not ask for the amendment now under consideration, however.

Mr. CLANCY. Is it not true, first with regard to the diversion of industrial alcohol, that Doctor Doran has testified that there is now only an inconsiderable amount of industrial alcohol diverted into illegal channels, 3 per cent, and did not the gentleman from Michigan, Mr. HUBSON, two days ago state it was only 2 or 3 per cent? Also does not Doctor Doran maintain that illegal liquor is now being made from corn sugar and that last year, 1929, 1,000,000,000 pounds or thereabouts of corn sugar were manufactured into illegal liquor? I ask the gentleman from South Dakota [Mr. WILLIAMSON].

Mr. WILLIAMSON. Mr. Chairman, I may say to the gentleman from Michigan that even though the diversion of industrial alcohol may not be very great, it will be greatly increased if you take away from the Attorney General the power to investigate these permittees. It is with a view to holding down the number of cases of illegal diversion that we make this provision. No legitimate industry can be injured by it, and those who unlawfully use industrial alcohol ought to be hurt.

Mr. CLANCY. I made the statement that representatives of the industrial-alcohol manufacturers did not get an adequate hearing before the committee, but that they found the chairman, the gentleman from South Dakota [Mr. WILLIAMSON] was personally a very fair and courteous gentleman, and they say that he agreed to come along with them after an informal conference with him, and they were given to understand that he took up their suggestion in executive sessions of the committee later on, but was voted down.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan [Mr. CLANCY].

The question was taken, and the Chairman announced that the yeas appeared to have it.

Mr. CLANCY. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided, and there were—ayes 25, noes 98.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

Mr. CLANCY. Mr. Chairman, I sent up another amendment to the desk.

The CHAIRMAN. The Chair had not been informed of it. The Clerk will report the amendment offered by the gentleman from Michigan.

The Clerk read as follows:

Amendment offered by Mr. CLANCY: Page 5, line 7, after the comma, insert "except in so far as such powers relate to permits given in connection therewith."

The CHAIRMAN. The gentleman from Michigan is recognized for five minutes.

Mr. CLANCY. Mr. Chairman, this is an amendment similar to the one I offered a moment ago, striking out the dual control and retaining the control of alcohol permits in the business department of the Government; namely, the Treasury Department. I was cut off a moment ago with important questions still hanging in the air.

I think these honorable representatives of these honest drug manufacturers and drug interests were correct in their contention that they did not get a fair hearing. The gentleman from New York [Mr. CLARKE] asked the question whether they did. The druggists and the retailers, as I understand, did get some sort of a hearing, but the manufacturers did not. They talked with the chairman but did not get a hearing before his committee.

What the opponents of my amendment are trying to make believe is that the druggists did get a fair hearing, and that this amendment cures the complaints which the gentleman from Wisconsin [Mr. SCHAFER] refers to. The point in that amendment is that the retailers shall not be hampered further in selling medicinal or permit whisky and liquor, but the manufacturers and hospitals and scientific associations and even the druggists themselves, when they want to make up an alcohol prescription, can not, and they do not consider the amendment, section 6, subsection (b), protects them, as claimed.

Now, this matter is technical and it runs about like this: The large drug manufacturers are granted by the Treasury Department a basic permit for a year. That is called the right to do business. But if the Henry Ford Hospital, for example, asks for an emergency prescription in a case where a patient is dying, or when an epidemic is on, say, the parrot fever, they must go to Washington for a special permit to get a little alcohol. The Treasury Department will be hereafter estopped from handling such a case by telegram or long-distance telephone. The Department of Justice has under this bill a "cooling time" for 10 days to further investigate. Now, these drug manufacturers have had experience with the Government for 50 years. They believe that this further and unduly ties them up; so does the medical and surgical fraternity. How do they do much of their business? Not on the basic permit, but upon what is called the special and supplemental permit. Parke, Davis & Co., for instance, are tied down by this bill in further drastic regulations and laws when they are already unduly and unjustly and unnecessarily hampered.

Mr. WILLIAMSON. I will say to the gentleman that they will not be in any way affected by this bill.

Mr. CLANCY. Doctor Doran said yesterday they would and that the section 6 article (b) amendment does not give relief in the case of supplementary permits.

Mr. WILLIAMSON. We have made a provision respecting special or supplemental permits to this line of druggists. They can get their applications through in 24 hours. There is no question about that.

Mr. ELLIS. If you will make good that proposition as to these supplemental permits and provide that they will be attended to by the department at once, all objection will be removed.

Mr. SCHAFER of Wisconsin. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Wisconsin is recognized for five minutes.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman yield?

Mr. SCHAFER of Wisconsin. Yes.

Mr. WILLIAMSON. Mr. Chairman, I ask unanimous consent that all debate upon this section and all amendments thereto close in 12 minutes.

The CHAIRMAN. The gentleman from South Dakota asks unanimous consent that all debate upon this section and all amendments thereto close in 12 minutes. Is there objection?

There was no objection.

Mr. SCHAFER of Wisconsin. Mr. Chairman, the same arguments apply in opposition to the pending amendment, submitted by my distinguished colleague from Michigan [Mr. CLANCY] as applied to the amendment which he previously submitted and which was voted down by an overwhelming vote of this committee. I reiterate that these amendments would destroy the purpose of this consolidation bill.

With reference to the flood of telegrams, to which the gentleman from Michigan refers, coming from bona fide and reputable business institutions using industrial alcohol, and his

criticism of the committee for not giving the representatives of these legitimate business institutions an opportunity to be heard, let me say, Mr. Chairman, that the Committee on Expenditures in the Executive Departments commenced hearings on the pending bill on January 22, 1930; the hearings closed on January 28, 1930. Even prior to the commencement of the hearings the representatives of these business institutions—who we are now told are complaining about not having an opportunity to be heard—had seen articles in the press throughout the country indicating that the committee was going to consider the bill in question. Now, after the hearings have been closed there is no valid reason why the representatives of these institutions should now complain. We have the mail and we have the telegraph, and the hearings were not closed by the committee until after all those who had signified their intention of appearing for and against the bill had an opportunity of having their views expressed to the committee.

Mr. CLARKE of New York. Will the gentleman yield?

Mr. SCHAFER of Wisconsin. Yes.

Mr. CLARKE of New York. Is it not true that the bill has been changed very materially since those hearings?

Mr. SCHAFER of Wisconsin. Changed to help them.

Mr. CLARKE of New York. That does not seem to be the case with them, because they do not understand the situation at the present time. I have in my district the largest chemical manufacturing company in the State of New York and today they are very much disturbed. They want to go along and have a chance but do not want legitimate business put out of business.

Mr. SCHAFER of Wisconsin. They can go along under the provisions of this bill without the incorporation of the amendment submitted by the gentleman from Michigan [Mr. CLANCY].

Mr. CLARKE of New York. Let the chairman get up and clarify the situation.

Mr. SCHAFER of Wisconsin. The chairman will do that, but I have another situation to clarify first. The gentleman from Michigan referred to the 90-day permit amendment by the committee as the Schafer amendment. I have no pride of authorship as to that amendment; in fact, that is not a Schafer amendment, but it is an amendment which I supported wholeheartedly after listening to the able presentation of his case by the representative of the National Association of Retail Druggists. I respectfully differ with my colleague from Michigan [Mr. CLANCY] when he rises on the floor and states that the amendment which is incorporated on page 6, subsection (b) of section 6, only applies to prescription medicinal liquor such as Old Crow, Three Star Hennessy, Johnnie Walker, and the like. This 90-day provision, as embodied in the committee amendment, refers to all industrial alcohol, and I am astounded to find that to-day on the floor of the House we hear the gentleman from Michigan saying that Doctor Doran indicates an absolutely different position from that which the committee received from his office and the office of the Attorney General of the United States.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. WILLIAMSON. Mr. Chairman, I want to give just one word of explanation which I think will clear up this whole section. The thing which I understand the wholesale druggists and large users of alcohol are alarmed about is the fear that under this bill no supplementary permit can be granted to them without the Attorney General approving of their application. The Attorney General will not pass upon these applications.

This bill expressly provides, by amendments which the committee put into the bill at the request of these very people, that no permit for a period of less than 90 days shall go to the Attorney General. So that the Secretary of the Treasury will retain exactly the power he has now with respect to the issuance of these permits and there will be no supervision by the Attorney General. They can continue to purchase their special orders of alcohol just exactly as they do now without any additional red tape.

Mr. Chairman, I ask for a vote.

Mr. CLARKE of New York. Will the chairman of the committee in charge of the bill point out where that is contained in the bill?

Mr. WILLIAMSON. In subdivision (b) of section 6.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. CLANCY].

The amendment was rejected.

The Clerk read as follows:

Sec. 5. (a) The Attorney General and the Secretary of the Treasury shall jointly prescribe all regulations under this act and the national prohibition act, and the form of all applications, bonds, permits, records, and reports under such acts.

(b) Regulations in force prior to the effective date of this act shall not be in force thereafter; but the repeal of such regulations shall not have the effect of releasing or extinguishing any penalty, forfeiture, or liability incurred thereunder. Nothing in this act shall affect the terms or conditions of any permit or bond given prior to the effective date of this act.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Page 5, line 24, after the word "act," insert the words "relating to permits."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 6, line 1, after the word "acts," insert a colon and the following: "Provided, That all regulations relating to the Bureau of Prohibition in the Department of Justice shall be made by the Attorney General."

The committee amendment was agreed to.

Mr. GASQUE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from South Carolina offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GASQUE: Strike out all of section 5 (a) and insert in lieu thereof the following:

"Sec. 5 (a) The Attorney General shall prescribe all regulations under this act and the national prohibition act and the form of applications, bonds, permits, records, and reports under such acts."

Mr. GASQUE. Mr. Chairman, ladies and gentlemen of the committee, I have always been in favor of the Volstead law. I believe the great majority of the people of the United States want to see this law enforced, or at least an attempt made to enforce it.

Owing to the enforcement of this law, or the lack of enforcement, I should say, the President of the United States has seen fit to appoint a committee to study the conditions that exist regarding the enforcement of the same. This committee has made a report. The President of the United States has come to Congress and asked us to pass a bill under which he thinks the law can be enforced, and I am surprised at the advocates of prohibition, those who favor this law, who stand up here and argue that any such law could be enforced when you place the duty of such enforcement under two heads.

Gentlemen, I want to ask the members of this committee, both Democrats and Republicans, are you in earnest when you say you want to see the prohibition law enforced, or are you just casting a gesture at the people of this country, saying we are doing something when you know in fact we are not?

The amendment I offer does not take industrial alcohol out of the Treasury Department but makes it clear and distinct that the Attorney General, the man who is to enforce the law, shall say under what conditions alcohol or any other liquor shall be withdrawn from bonded warehouses.

I am not surprised at all, gentlemen, to see that the permittees of this country are coming here to-day and making a fight to have this left in the Treasury Department. I say I am not surprised at that, but I want to say to those permittees of the country who want to withdraw alcohol for legitimate purposes, there will be nothing in this bill, whether my amendment prevails or not, that will not protect them in getting all the alcohol they will use legally. However, gentlemen, I think we would show ourselves to be weaklings if we should pass a bill that leaves the granting of permits under two heads and one that leaves room, as I said before, for passing the buck.

I have full confidence in the Attorney General. The Attorney General is a man who, I am informed, believes in this law, a man who wants to see it enforced. I am not so positive whether the Secretary of the Treasury does or not.

Now, let us see. Suppose you grant joint authority to these two men, one presumably a wet and the other a dry, do you not know that there is going to be a conflict from the very beginning? You should adopt this amendment if you want this law enforced. If you want to go before the country and say that we are just making a gesture, then adopt the committee provision in this bill.

Mr. WILLIAM E. HULL. Will the gentleman yield?

Mr. GASQUE. I yield for a question.

Mr. WILLIAM E. HULL. If we can not have adopted the amendment the gentleman is proposing, then the gentleman would prefer to have it remain in the hands of the Treasury, under one man, or under one control?

Mr. GASQUE. Absolutely; but let us pass a bill here where we can place the responsibility on somebody, and I prefer he be a dry.

Mr. WILLIAMSON. Will the gentleman yield?

Mr. GASQUE. Just for a question.

Mr. WILLIAMSON. The gentleman does not seek by his amendment to transfer the permit system to the Department of Justice but simply seeks to have the Attorney General make the rules and regulations to control the Secretary of the Treasury in issuing permits. Is that correct?

Mr. GASQUE. That is all we want to do, sir. We want to leave that in the hands of the Attorney General, because we believe he will see that alcohol is not withdrawn illegally.

Mr. WILLIAM E. HULL. Will the gentleman yield again for a question?

Mr. GASQUE. Yes.

Mr. WILLIAM E. HULL. If the gentleman's amendment passes, then all the permits will be issued practically by the Attorney General, will they not?

Mr. GASQUE. They will not; the regulations will be made by the Attorney General.

Mr. COCHRAN of Missouri. Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman and Members of the House, this is the section that the business interests of the United States are alarmed over.

I want to say that if anyone other than Mr. Mellon was Secretary of the Treasury, this amendment would not be offered. I am not here to talk about Mr. Mellon, but I will say that I am not going to be one to join any movement where the purpose is to embarrass him. This amendment will not hurt Mr. Mellon but it will injure legitimate business. The Secretary of the Treasury, regardless of what others say, has handled to the satisfaction of the business people the permit end of the prohibition law.

The business interests of this country have been sending telegrams to Members of the House for the last few days and want the permit section left in the Treasury Department; they want the Secretary of the Treasury to write the regulations in reference to the permits and do not want prosecuting attorneys telling a Cabinet officer what to do.

The amendment of the gentleman from Michigan [Mr. CLANCY] being defeated, a provision remains in the bill which enabled the Attorney General, whenever he deems it necessary, to investigate the applications for permits and renewals to prevent as well as prosecute violations of the law.

As Members well know, there are numerous laws which provide penalties for violations. I might name the postal laws, the navigation laws, the pure food laws, and a score of others where the Attorney General is charged with prosecutions of violations but who ever heard of any suggestion that the head of the Department of Justice write the regulations for the administration of those laws? Why single out one? If it is good policy the same action should be taken in connection with all. It is not good policy and that is why I oppose the amendment offered by the gentleman from South Carolina [Mr. GASQUE].

You can not cite one instance where the law charges one Cabinet officer with the responsibility of administration and grants to another Cabinet officer the power to tell the administering official how he should proceed to carry out the provisions of the law. Such a proposal is unsound.

This amendment denies the Secretary of the Treasury the right to prescribe the regulations for the handling of permits, and so forth. It places this power in the hands of the Attorney General, whose duties are to prosecute violators of the law. It does give to the Attorney General the sole right to prescribe the regulations in regard to enforcement where that power properly belongs. Mr. Mellon wants nothing to do with writing the enforcement regulations, and I can tell you that Mr. Mitchell wants nothing to do with writing the regulations in reference to that part of the law which you are leaving with the Treasury Department.

The business interests of the country want the bill amended so that each department will write its own regulations, so they will have no trouble in securing industrial alcohol for the great manufacturing plants of the country. The doctors and druggists desire this done. If large corporations are unable to secure industrial alcohol they must close their doors, for they can not manufacture their products. Will you deny the doctors, druggists, and hospitals the alcohol to which they are entitled under the law and which they need to cure the sick?

Both parties always insert in their platforms more business in government, less government in business. Will you keep that pledge if this amendment is adopted?

We did have a quarrel in the committee, and frankly I do not think the bill was properly considered in the committee. I offered a motion in the committee—

Mr. WILLIAMSON. Mr. Chairman, I do not care to make a point of order, but the gentleman should not refer to what took place in the committee.

Mr. COCHRAN of Missouri. I refer to what took place in open session. I presented my motion to throw the hearings wide open, but it was not adopted. It is in the record. I was not permitted to ask questions that I would like to have asked the Secretary of the Treasury and the Attorney General.

Now, Mr. Chairman and Members of the House, if this amendment is voted down I propose to offer an amendment to the bill which will provide that the Secretary of the Treasury write the regulations so far as its own department is concerned, and the Attorney General write the regulations for that part of the law you are intrusting to his department. My amendment will meet the objections of legitimate business, doctors, druggists, and hospitals.

Mr. LINTHICUM. Mr. Chairman and gentlemen of the committee, I have received a great many telegrams and letters from people in the drug business, the manufacturers of extracts, and other business requiring industrial alcohol. They have been very much pleased by the manner by which the permits have been issued by the Treasury Department. I gather from these that they are in favor of leaving the permit question absolutely with the Treasury Department and putting the prosecution or the enforcement of the prohibition law into the hands of the Department of Justice. I feel that the Treasury Department has had a long experience, long before prohibition went into effect, of issuing permits for industrial alcohol, and I feel that it would be well to leave the permits entirely to the Treasury Department, and place the enforcement with the Department of Justice.

I intend, as far as I can, to comply with what the administration desires in the enforcement of the prohibition laws. Personally, I do not think those laws can be enforced, but I am willing to give the administration a chance to try it. They have tried this in the Treasury Department, and now they want to try it in the Department of Justice. I hope sincerely that it will not have the effect upon the Department of Justice that it has had on all other branches of the Government that have endeavored to enforce the laws. I hope this committee, in the interest of business, in the interest of those who know, will leave the issuing of the permits in the hands of the Treasury Department. I think that is the best thing for business and for everything else.

Mr. GASQUE. Does not the gentleman think that the Attorney General will be fair in providing regulations under which these people can take out alcohol?

Mr. LINTHICUM. I think he would be fair; but my people say that if you change from the Treasury to the Department of Justice it would mean new regulations and the upsetting of all things, and business is one thing that can not stop, if you want it to be successful.

Mr. GASQUE. Does not the gentleman believe that we ought to have new regulations owing to the conditions that exist to-day?

Mr. LINTHICUM. I am not sufficiently informed as to the regulations to answer that question, but I know that the business interests of the country want the permit question left in the hands of the Treasury Department, and I am for it.

Mr. COLTON. Mr. Chairman, I move to strike out the last three words. We make a mistake, ladies and gentlemen, when we go to an extreme either way in the consideration of a great problem like this. Just what will the amendment proposed by the gentleman from South Carolina do? It does not remove industrial alcohol from the Treasury Department. It leaves the issuing of the permits in the Treasury Department but provides that the Attorney General shall prescribe and formulate the rules and regulations under which the Department of the Treasury shall act.

Mr. HUDSON. The gentleman means the act in connection with the Treasury Department?

Mr. COLTON. Yes; I mean the carrying out of the duties imposed on the Treasury Department. In other words, it means that you place certain duties and responsibilities upon the Secretary of the Treasury and then, if you adopt this amendment, you provide that the Attorney General shall prescribe the rules under which the Secretary of the Treasury shall carry out those duties.

Mr. LAGUARDIA. Is not this the procedure under the bill? First, an application is made to the Secretary of the Treasury for a permit to withdraw denatured alcohol for certain purposes. He—the applicant—must comply with all of the requirements set forth by that department. When he gets the permit then it passes to the Department of Justice, which will supervise and determine whether he is living within the requirements of the law.

Mr. COLTON. Yes. That would be true under the provisions of the bill as amended. In other words, the bill as amended by the committee and submitted to the House would provide that the regulations are prescribed jointly by the Secretary of the Treasury and the Attorney General as to industrial alcohol. The amendment would take away all power and right that the Secretary of the Treasury would have in the matter of prescribing regulations as to industrial alcohol and vest in the Attorney General solely the right to make these rules and regulations. I submit that as a self-respecting official, if any man here were the Secretary of the Treasury he would not appreciate the Congress imposing upon him certain duties and then providing that another entirely independent department should make the rules under which he shall perform his duties.

Mr. WILLIAM E. HULL. Mr. Chairman, will the gentleman yield?

Mr. COLTON. Certainly.

Mr. WILLIAM E. HULL. If the Gasque amendment should prevail, then it is all in the hands of the Department of Justice?

Mr. COLTON. No. The issuing of the permits is still in the hands of the Secretary of the Treasury, but if the Gasque amendment prevails the Attorney General shall prescribe the rules and regulations under which the permits shall be issued.

Mr. WILLIAM E. HULL. Oh; I thought he issued them.

Mr. COLTON. No; that would be another question entirely. If you put the matter of industrial alcohol entirely into the hands of the Department of Justice, that would be entirely different. But that is not sought to be accomplished by this amendment.

Mr. WILLIAM E. HULL. If the gentleman's amendment prevails, then the Secretary of the Treasury will issue the permits but what does the Attorney General do?

Mr. COLTON. He prescribes the rules and regulations under which those permits shall be issued, and even prescribes the form of the bonds, and so forth.

Mr. WILLIAM E. HULL. Could he veto a permit?

Mr. COLTON. He could stop it entirely; yes, sir. There is no doubt of that, if the Gasque amendment prevails.

Mr. WILLIAM E. HULL. If the bill should pass as it is, he can stop it entirely, can he not, or can he?

Mr. COLTON. If the bill passes as it is recommended, the rules and regulations will be issued jointly, and in effect the Attorney General could veto a permit by the Secretary of the Treasury, or, at least, could refuse to join in issuing it.

Mr. WILLIAM E. HULL. In other words, that is really in his hands.

Mr. COLTON. But he could do that only after consultation and by refusing to join in the permit. Under this proposed amendment he would have absolute power and the Secretary of the Treasury would have no voice whatever.

Mr. WILLIAM E. HULL. If your bill passes as you have it written, the Attorney General acts only in conjunction with the Treasury Department; but if he disagrees with the Treasury Department, the man can not get his permit.

Mr. COLTON. In effect it means a veto by the Attorney General.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. COLTON. Yes; I yield.

Mr. CRAMTON. I think it should be made clear that the pending amendment does not relate to the issuance of permits. It relates to the framing of the regulations that would govern the issuance of permits. The issuance of permits is governed by another section.

Mr. EDWARDS. These permits have to be issued under certain regulations. The placing of it under the Attorney General doubly checks this proposition, and at all times permits the Attorney General's office to keep an eye on what is going on, and unquestionably if the permits are granted, they have first to go through the Attorney General's office.

Mr. WILLIAM E. HULL. In other words, he can veto it.

Mr. HUDSON. Mr. Chairman, let us have the amendment read again.

Mr. COLTON. I do not want this taken out of my time.

Mr. McSWAIN. Mr. Chairman, I ask unanimous consent that the amendment may be again reported, not to be taken out of the time of the gentleman from Utah.

The CHAIRMAN. Is there objection?

There was no objection; and the Clerk again reported the Gasque amendment.

Mr. WILLIAMSON. Mr. Chairman, will the gentleman from Utah yield to me for a moment?

Mr. COLTON. Certainly; I yield to the gentleman.

Mr. WILLIAMSON. I want to call the attention of the committee to page 7 of the report filed with the bill. You will find

the minority amendment there, under the minority views, at the bottom of the page.

Mr. COLTON. Mr. Chairman, I do not think there is any dispute about the meaning of the amendment offered by the gentleman from South Carolina [Mr. GASQUE]. It provides plainly that the regulations pertaining to industrial alcohol and all regulations pertaining to the prohibition law shall be written by the Attorney General; whereas the bill, as amended by the committee, would simply provide that in the issuance of industrial-alcohol permits the regulations shall be prescribed jointly by the Secretary of the Treasury and the Attorney General, and that the Attorney General shall have the sole right to issue regulations under all other provisions of the prohibition act. The enforcement provisions of the prohibition law are solely under the direction of the Attorney General.

Mr. GASQUE. Will the gentleman explain to the Members of the House why the insistence on giving this joint power?

Mr. COLTON. Because, if you are going to give to the Secretary of the Treasury any duty to perform, we should be consistent and let him write the rules and regulations under which that duty shall be carried out. They jointly prescribe the rules for alcohol permits in order that the Attorney General may have a check on them.

Mr. GASQUE. Then why add the Secretary of the Treasury?

Mr. COLTON. If I said "Attorney General," I made a mistake. I meant the Secretary of the Treasury.

The Attorney General, in commenting upon this proposed amendment, uses this language:

The very extraordinary expedient of excluding the Secretary of the Treasury from any voice in making the regulations that are to control the administration of permits in his department is, in my opinion, not necessary. It has no precedent, and for administrative reasons is unsound.

I believe that this amendment is offered in good faith, but it is confusing, and it defeats the very purpose for which it is intended. It will produce "confusion worse confounded." You are giving to the Attorney General administrative duties that he does not ask for. It is unsound, as he says, and it has no precedent in legislation. I believe that my dry friends are being misled by those seeking to muddy the waters when they try to give the Attorney General authority to solely make the rules for the industrial-alcohol provisions of the prohibition law.

Mr. YON. Why the necessity of changing one part of the prohibition enforcement? Why not turn it all over to the Attorney General?

Mr. COLTON. When it comes to enforcement of the prohibition law, there should be no division. The issuance of permits for industrial alcohol, however, is a fiscal matter and should therefore be in the hands of the Treasury Department.

Mr. WILLIAMSON. Mr. Chairman, I move that all debate on the section and all amendments thereto close in 15 minutes.

The motion was agreed to.

Mr. EDWARDS. Mr. Chairman, we are making an earnest endeavor to make this law more effective and more certain of enforcement. I am for the bill with or without the Gasque amendment, but think the adoption of this amendment will improve the bill and make of it a much better piece of legislation.

Statements have been made that the amendment of the gentleman from South Carolina [Mr. GASQUE] needs to be clarified. The gentleman from Utah [Mr. COLTON] says it "muddies the water." The complaints against the enforcement of this law, as we all know, come from the fact that there have been leakages of industrial alcohol through Treasury Department enforcement. The sentiment of the country is in favor of taking it out of the Treasury Department, root, branch, and all, and of putting it in the Department of Justice, where it belongs. The country has confidence in the Attorney General and in his intentions to enforce this law. That can not be said of the Treasury Department.

Mr. COLTON. Do you understand that this section, which deals with industrial alcohol, should be out of the Treasury Department, the business department of the Government, and given over to the Department of Justice?

Mr. EDWARDS. Yes. It can be kept track of in the Department of Justice, and will lead to better enforcement. The Department of Justice can keep a check on it.

Mr. SANDLIN. You want a "check" and a "double check," as Amos 'n' Andy would say. [Laughter.]

Mr. EDWARDS. Replying in the language of that pair, I would say "sho, sho." This is a simple proposition. It is a question as to which department we want to handle it. If we want an enforcement which will give the country what the sentiment of the country demands, let us place it in the Department of Justice, which the dries and the country generally have confidence in.

Let us stop these alleged leaks in the Treasury Department. The amendment offered by the gentleman from South Carolina [Mr. GASQUE] is perfectly clear. We all understand it. The argument of the gentleman from Utah [Mr. COLTON] that it is confusing is not sound. There is nothing confusing about it. The question is whether the matter should be left where it now is or placed in the Department of Justice, where it belongs. The President recommended that it go there and the dry sentiment of the House and of the country is in favor of its going there. Why not go the whole limit? We should not put a part of this under the control of the Department of Justice and leave a part of its administration under the Treasury Department.

If we want to do what the people think ought to be done and what I am sure the House feels should be done we should adopt the amendment offered by Mr. GASQUE and place the dry-law enforcement under the Department of Justice, where we believe a real enforcement will be had. Divided responsibility in dual authority of two departments will bring about conflicts. The Department of Justice should have the authority and be charged solely with the responsibility.

Mr. HUDSON. Will the gentleman yield?

Mr. EDWARDS. Yes.

Mr. HUDSON. The gentleman has confidence in the Attorney General, because he wants to put all of this in his department, does he not?

Mr. EDWARDS. Yes.

Mr. HUDSON. Then he must have confidence in the Attorney General's statement that the bill as written by the committee is what he wants.

Mr. EDWARDS. I do not so understand it. I am for the bill. This amendment will strengthen it. I want the Attorney General's office to administer this law so it can be more certainly enforced. Why not give the Department of Justice full authority over the whole thing? If we are going to put one part of the enforcement in the Department of Justice we ought to put the whole thing in that department and not have a dual management. There should be no divided responsibility, and if we see fit to place the entire responsibility upon the Department of Justice, the Attorney General will accept it and he will make an honest effort to enforce it. We know that and the whole country knows it.

I believe there is an earnest sentiment in this House for an honest and impartial effort at law enforcement all down the line, and I believe the Department of Justice will give such enforcement.

Mr. HUDSON. Will the gentleman yield again?

Mr. EDWARDS. With pleasure.

Mr. HUDSON. Did not the gentleman hear the gentleman from Utah read the statement of the Attorney General?

Mr. EDWARDS. But I do not understand that related to this particular phase of the question.

Mr. BRAND of Georgia. Will the gentleman yield?

Mr. EDWARDS. Yes.

Mr. BRAND of Georgia. May not the gentleman [Mr. COLTON] who has quoted the Attorney General be speaking the wish of Mr. Mellon, the Secretary of the Treasury, when he makes that statement?

Mr. EDWARDS. Well, I would not say that exactly, because the letter, of course, speaks for itself. I know the gentleman from Georgia [Mr. BRAND] is heartily in favor of strict law enforcement, and I agree with him we should do all possible to make this law more effective and more certain of enforcement.

Mr. BRAND of Georgia. I will ask the gentleman another question, then. The gentleman from Utah says the Attorney General does not want it in his control and within his jurisdiction. Is not the gentleman of the opinion that Mr. Mellon wants it in his control?

Mr. EDWARDS. I rather think so. I think he is reluctant to give it up. The question is now up to us as to what we think about it; and I agree with the gentleman from Georgia [Mr. BRAND] and all other friends of law enforcement that the whole question of prohibition enforcement should be transferred to the Department of Justice.

Mr. COLTON. The Attorney General makes no statement with reference to industrial alcohol. It is the proposition with reference to the making of regulations that he is opposed to.

Mr. EDWARDS. My view is the Department of Justice should fix the regulations under which the permits might be issued and keep a close check on it.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. SCHAFER of Wisconsin. Mr. Chairman and members of the committee, I rise in support of the minority committee amendment offered by my colleague [Mr. GASQUE]. I respect-

fully want to call to the attention of the so-called drys of this House that this is not a wet and dry proposition. As one who is opposed to prohibition, I want to give you an opportunity of fully demonstrating whether it can be enforced, and that is the primary reason why I am supporting this minority report.

Let us see what my colleague from Utah [Mr. COLTON] talks about when urging his views particularly on the drys of this House. Let us look at what Mrs. Willebrandt said in a syndicated article appearing in the Milwaukee Journal of Saturday, August 10, 1929, chapter 6:

In my honest judgment, the greatest single source of liquor supply to-day is alcohol diverted illegally from concerns bearing the stamp of respectability in the form of a Government permit.

In my legal opinion, the regulations issued by the Treasury Department could be so drawn as to drive these "cover houses" practically out of business. To do it would, however, mean standing firm against a tremendous lot of pounding from the organized drive of thousands of permittees with heavy political influence. I know this, because repeatedly my office has recommended legal changes in the regulations.

Carefully consider, members of the committee, how you can best enforce these prohibition laws while they remain upon the statute books.

Now, my good friend from Utah [Mr. COLTON] stated, in substance, that the writing of the minority amendment into the bill would be a reflection on the Secretary of the Treasury. Let me state that we are not writing this bill for the present Secretary of the Treasury or the present Attorney General.

It is also written for those who may come after both of them, and I direct that portion of my remarks also to my distinguished colleague [Mr. GASQUE] who submitted the pending amendment, which I favor.

Mr. Speaker, the argument of the gentleman from Utah is unsound. If he is opposing the pending amendment which is before us because it muzzles and reflects on the Secretary of the Treasury, then, following his own position, he must necessarily oppose the section of the bill which he approves in the majority report, because with that amendment he is giving the Attorney General the authority, as he has stated on the floor, to take part in writing these regulations and even authority to veto them. So that point in his argument is without any real justifiable grounds.

Mr. Speaker, the members of the Expenditures Committee, including the gentleman from Utah, who signed the majority report clearly indicated that they favored the principle as embodied in the amendment now under consideration, and I will again refer you to page 2 of said majority report. The members of the Expenditures Committee who have taken the floor in opposition to the pending amendment signed that report, and it contains this language on page 2, which is one of the strongest arguments in favor of the pending amendment:

Division of authority, duties, and responsibilities is not conducive to the best results where a specific end is sought. This is especially true where the object in view is law enforcement. Simplicity of procedure, unity of direction, and definite responsibility for results are greatly in the interest of efficiency and certainty. Not until authority and responsibility for the enforcement of prohibition are centered in one head can there be a real test of the mooted question "Can prohibition be enforced?" Upon that there now seems to be common agreement by both wets and drys. Such unity and cohesion of purpose is what this bill seeks to bring about.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. DALLINGER. Mr. Chairman, I move to strike out the last line.

The CHAIRMAN. The gentleman from Massachusetts is recognized for five minutes.

Mr. DALLINGER. Mr. Chairman, as I stated yesterday, this bill comes before the House as the result of a recommendation made to the Congress by the President of the United States. That portion of his message which related to this matter was referred to the Committee on Expenditures in the Executive Departments. Our committee had hearings upon that portion of the President's message, and as far as I know everyone who desired to be heard was heard. The committee gave this matter very careful consideration, and the bill that was originally introduced by the chairman of the committee contained the provision that the regulations under the prohibition act should be made jointly by the Secretary of the Treasury and by the Attorney General. That provision was written into the bill with the approval of both of those great departments of the Government.

Now, there are two extreme views in regard to this proposed change. One extreme would leave the entire matter of prohibition enforcement including the granting of permits for the

use of industrial and medicinal alcohol entirely in the Treasury Department, where it is now; while the other extreme would transfer it entirely to the Department of Justice. Now, there are certain permissive features of the prohibition laws which properly belong to the Treasury Department and which have no place whatever in the Department of Justice.

The Attorney General and the Secretary of the Treasury were both before our committee, and the section as now reported by the committee in the bill—I refer to section 5—represents the best judgment of both of these departments. The Attorney General told the committee that he was willing to take the responsibility for enforcing the prohibition act and that this section as it appears in the bill reported by the committee is satisfactory to him and that under the bill as reported he has all the power necessary to enable him to carry out the provisions of the prohibition act and to enforce the penal provisions thereof.

You have listened to the letter read by the gentleman from Utah from the Attorney General himself opposing the amendment that is now before this committee as unnecessary, unprecedented, and unsound. Now, Mr. Chairman, if the Attorney General of the United States, in whom all these gentlemen who have spoken profess to have the greatest confidence, says that this bill as reported by the committee gives him every power necessary to enforce the prohibition act and that he is utterly opposed to the amendment proposed, why not take him at his word and follow his advice? It seems to me there is nothing else for this House to do but to vote down the amendment of the gentleman from South Carolina. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired; all time has expired. The question is on the amendment offered by the gentleman from South Carolina [Mr. GASQUE].

The question was taken; and on a division (demanded by Mr. GASQUE) there were—ayes 47, noes 145.

So the amendment was rejected.

Mr. TEMPLE. Mr. Chairman, I offer an amendment, and inasmuch as all time has expired, I ask unanimous consent to be permitted to proceed for two minutes.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendments offered by Mr. TEMPLE: Page 6, line 5, after the word "thereafter," strike out the semicolon and insert the following: "Unless prescribed and issued in accordance with the provisions of paragraph (a) of this section."

The CHAIRMAN. The gentleman from Pennsylvania asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. TEMPLE. Mr. Chairman, as the language now stands in the bill it reads:

Regulations in force prior to the effective date of this act shall not be in force thereafter—

It is possible this might be interpreted as forbidding the Secretary of the Treasury and the Attorney General in revising the regulations to reissue any provision now in force. The language might be so interpreted, for it provides that the regulations now in force shall not be in force after this bill goes into effect. I propose to insert—

unless prescribed and issued in accordance with the provisions of paragraph (a) of this section.

So that there may be no doubt of their authority to retain any of the present regulations, if they wish to do so, and they will probably wish to retain most of them substantially as they are.

Mr. WILLIAMSON. I am not against the amendment of the gentleman from Pennsylvania.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The amendment was agreed to.

Mr. COCHRAN of Missouri. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Missouri offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. COCHRAN of Missouri: Page 5, line 22, strike out "Attorney General and the," and in line 23, strike out the word "jointly."

Mr. COCHRAN of Missouri. Mr. Chairman, debate having been ordered closed, I ask unanimous consent to proceed for one-half minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COCHRAN of Missouri. Mr. Chairman, this is the amendment I referred to a few minutes ago. It is in order now that the amendment of the gentleman from South Carolina [Mr. GASQUE] was voted down. It gives the Secretary of the Treasury the right to prescribe the regulations in reference to that part of the law which he is to administer and extends to the Attorney General the right to prescribe the regulations in reference to the enforcement end of the law.

Mr. WILLIAMSON. And takes it away from the Attorney General.

Mr. COCHRAN of Missouri. As far as the permits are concerned, with the exception as shown in subdivision (b) of section 4. If there is a violation of the law or if the Attorney General has information that leads him to feel that the law is being violated, he has full power under section 4 to make all the investigations he desires; and in such cases no one contends he should not have that power. Certainly I do not.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. COCHRAN].

The amendment was rejected.

The Clerk read as follows:

SEC. 6. (a) The Attorney General and the Secretary of the Treasury shall jointly prescribe regulations for the filing by the Attorney General with the Secretary of the Treasury of copies of reports of violations of the national prohibition act, from which civil liability for taxes and penalties has accrued under such act or the internal revenue laws, or which may be the basis of action with respect to any permit.

(b) Except as otherwise provided by regulations, the Secretary of the Treasury shall file with the Attorney General complete reports of all proceedings for revocation of permits and copies of all applications for permits (including renewals and amendments of permits) under the national prohibition act and regulations promulgated thereunder; and, except as otherwise provided by regulations, no such permit shall be granted within 10 days after copy of application therefor has been filed with the Attorney General.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: On page 6, in line 11, strike out "and the Secretary of the Treasury," and after the word "shall," in line 12, strike out the word "jointly"; in line 14, after the word "Treasury," strike out the word "of."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

On page 6, in line 22, after the word "permits," insert "to be issued for more than 90 days"; and in line 24, strike out the words "of permits" and insert in lieu thereof "thereof to extend for more than 90 days"; and on page 7, in line 2, after the word "granted," insert "renewed, or amended."

The committee amendment was agreed to.

The Clerk read as follows:

SEC. 7. The Attorney General may, if he considers it advisable, act jointly with the Secretary of the Treasury in passing upon any such application, and in such cases no permit shall be granted without their joint approval. In the event of a refusal of the permit, the applicant may have a review of the decision before a court of equity, as provided in sections 5 and 6, title 2, of the national prohibition act (U. S. C., title 27, secs. 14 and 16).

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

On page 7, line 7, after the word "any," strike out the word "such," and after the word "application" insert "for any permit or any renewal or amendment thereof, which may be issued under the national prohibition act"; in line 10, after the word "granted," insert "renewed, or amended"; in line 11, after the word "permit," insert "renewal, or amendment."

The committee amendment was agreed to.

Mr. GASQUE. Mr. Chairman, I offer the following amendment to page 7, lines 5 and 6.

The Clerk read as follows:

On page 7, lines 5 and 6, strike out the words "if he considers it advisable" and insert the word "shall."

Mr. GASQUE. Mr. Chairman, I want to say that if this committee supports the bill sponsored by the majority of the committee they will agree to this amendment. Why give the Attor-

ney General something to dodge behind and say, "I did not have anything to do with that; I left it to the Secretary of the Treasury."

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. GASQUE. I yield.

Mr. MOORE of Virginia. As I understand, the gentleman says by section 5 authority to make regulations is vested in two departments. The gentleman's view of it is, if that be done why the authority to issue the permits should not be jointly exercised?

Mr. GASQUE. Absolutely.

Mr. WILLIAMSON. For fear the importance of this proposed amendment will not be seen, let me say that there are thousands of permits issued by the Secretary of the Treasury—between 155,000 and 160,000—and as to nearly 90 per cent of those there is no question; they are complying with the law. Under the bill as now written by joint regulation they will segregate those, and the Attorney General will have no voice in determining whether the permits shall be granted. It would be an absurdity to require the Attorney General, by using the word "shall," to examine into every application of 165,000 permits, when as a matter of fact there would be no necessity for it.

Mr. GASQUE. But does the gentleman know that there will not be others that need examination?

Mr. WILLIAMSON. If there is any reason to suspect an applicant, the Attorney General can, under the bill, make the investigation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina.

The question was taken, and the amendment was rejected.

Mr. WILLIAM E. HULL. Mr. Chairman, I offer the following amendment:

The Clerk read as follows:

Amendment by Mr. WILLIAM E. HULL: Strike out all of section 7 and insert in lieu thereof the following:

"The Attorney General shall, without delay, upon receipt of copies of reports of proceedings for revocation of permits and copies of applications for permits, furnish the Secretary of the Treasury with any information which he may have as the result of the investigation of his office concerning the applicant for such permit or concerning such permittee. The Attorney General may through his designated attorneys or officers appear in any revocation proceedings to prosecute such proceeding before the designate of the Commissioner of Prohibition. In the event of a refusal of the permit, renewal, or amendment, the applicant may have a review of the decision before a court of equity as provided in sections 5 and 6, title 2, of the national prohibition act (U. S. C., title 27, secs. 14 and 16)."

Mr. WILLIAMSON. Mr. Chairman, I make the point of order that the amendment is not germane to this section of the bill.

The CHAIRMAN. The gentleman from South Dakota makes the point of order that the amendment is not germane.

Mr. WILLIAM E. HULL. I will not argue it if you want to knock it out.

Mr. WILLIAMSON. I think, Mr. Chairman, it is patent on its face that it is not germane, for it injects into the section new matter.

Mr. CLANCY. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CLANCY. What became of my amendment to section 7?

The CHAIRMAN. The Chair understands that a motion was agreed to, made by the gentleman from South Dakota, that 15 minutes' debate remained, and during that time the gentleman from Michigan might offer an amendment. The Chair stated to the gentleman from Michigan that he could present it by asking unanimous consent.

Mr. CLANCY. That agreement as to limit of time was in reference to section 5.

Mr. STAFFORD. There has been no limit to debate on this section.

Mr. CLANCY. My amendment was with reference to section 7, and I sent it to the Clerk's desk.

The CHAIRMAN. The gentleman should have offered the amendment from the floor. It is not sufficient to send it to the desk without offering it from the floor. The Chair is informed that there is no amendment with reference to section 7 at the desk.

Mr. CLANCY. Mr. Chairman, I ask unanimous consent to proceed for one minute.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. CLANCY. Mr. Chairman, in that minute I wish to make it clear that on the hotly disputed point of hearings it is now clear there were no adequate hearings by the committee. I

have the hearings report in my hand, and it shows the only business people heard were the retail druggists. The oil people, the automobile people, the wholesale drug people, the paint people, or the toilet preparations people did not come in.

Answering the attacks upon me by the gentleman from Wisconsin [Mr. SCHAFER], he resented my efforts to change the bill and make it more satisfactory to business. The gentleman was just bushwhacking. He now makes an attack on the bill and tries to make it more vicious than it is. He aims to give the Justice Department even more police and meddling powers. He is an ultra-wet aiding ultra-drys. I am voting against the amendment he favors.

A lot of this animus is against Mr. Mellon, but the House should remember that practically all of these Treasury regulations under which Mr. Mellon is working were made by former Secretary of the Treasury CARTER GLASS and by former Collector of Internal Revenue Daniel C. Roper, both of them bone dry.

The CHAIRMAN. The Chair is ready to rule. The gentleman from Illinois [Mr. HULL] offers an amendment to section 7 in the following language:

Strike out all of section 7 and insert in lieu thereof the following:

"The Attorney General shall, without delay, upon receipt of copies of reports of proceedings for revocation of permits and copies of applications for permits, furnish the Secretary of the Treasury with any information which he may have as the result of the investigation of his office concerning the applicant for such permit or concerning such permittee. The Attorney General may, through his designated attorneys or officers, appear in any revocation proceedings to prosecute such proceedings before the designate of the Commissioner of Prohibition. In the event of a refusal of the permit, renewal, or amendment the applicant may have a review of the decision before a court of equity as provided in sections 5 and 6, title 2, of the national prohibition act (U. S. C., title 27, secs. 14 and 16)."

It appears to the Chair that the amendment offered by the gentleman from Illinois is germane and is a proper amendment to the bill, if adopted. The Chair overrules the point of order.

Mr. WILLIAM E. HULL. Mr. Chairman and gentlemen, this amendment is offered from a business man's standpoint. There is no prohibition connected with it. It is intended to take care of the business interests of the country. If any of you gentlemen were a large dealer and were buying an average of a carload of alcohol a week, certainly you would not want to be put in the position where your permit might be revoked at the behest of some man who is not posted on the business side of this proposition. You gentlemen all know as lawyers, and a great many of you are lawyers, that lawyers take a different view of a business proposition than do business men. If this amendment is not agreed to, I say to you that all that a snooper has to do, a man paid only \$1,800 a year, is to go out and find some trivial violation of the law against some man who is buying a carload of alcohol a week and using it legitimately, and then bring that matter into the Attorney General's office, where they can if they so decide stop that man from getting any more alcohol and thus ruin his business. If you vote this down, the effect will be to damage and, in some cases, destroy business such as I have indicated. I propose my amendment for the reason that it gives the Secretary of the Treasury, who has the machinery, who knows what the alcohol business is, who knows who the people are that are violating the law and those who are not, the power to act in this matter. He is surely as honest as the Attorney General.

This would turn the thing around and let the Secretary of the Treasury decide on the business part, and then it would be the duty of the Attorney General, if he wants to stop a permit, to stop it, but we should not allow the Attorney General or the people in his office to ruin large business interests, as this will, if you do not agree to this amendment. I think the House does not appreciate the importance of this, because all of us who know the business, know the great difficulties everybody has had under the prohibition act to get supplies, and I entreat this House not to go too far, but to give the business interests at least an opportunity to protect themselves for their future supplies. I am not doing this from any ulterior motive. I am doing it for the business interests of the country and for no other purpose.

Mr. CRAMTON. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM E. HULL. Yes.

Mr. CRAMTON. The gentleman appears to overlook the fact that the bill preserves the right of appeal to the courts.

Mr. WILLIAM E. HULL. I do not overlook that fact. I say that the minute you put the business man in a position where he must appeal, you ruin his business. This amendment turns it around and gives the Attorney General the power to stop the permit if he is guilty.

Mr. CRAMTON. Is the gentleman aware that under the present law appeals have been taken and have been sustained by the courts in New York and Pennsylvania, as I recall, as to permits involving some 700,000 gallons?

Mr. WILLIAM E. HULL. I understand that, but if the gentleman were in business he would not want to be put in a position where he would have to go to the courts to get the supplies to run his business.

Mr. CRAMTON. It is my understanding that the legitimate business men are not complaining of the present situation.

Mr. WILLIAM E. HULL. I beg the gentleman's pardon. Legitimate business men are the ones who are complaining and I have 30 telegrams in my office right now.

Mr. CLARKE of New York. And I will file some others to supplement those.

Mr. WILLIAMSON. Mr. Chairman, I call the attention of the committee to the fact that this amendment if adopted will result in exactly the opposite of what the gentleman from Illinois thinks it will. It provides:

The Attorney General shall, without delay, upon receipt of copies of reports of proceedings for revocation of permits and copies of applications for permits, furnish the Secretary of the Treasury with any information which he may have as the result of the investigation of his office concerning the applicant for such permit or concerning such permittee. The Attorney General may through his designated attorneys or officers appear in any revocation proceedings to prosecute such proceeding before the designate of the Commissioner of Prohibition. In the event of a refusal of the permit, renewal, or amendment, the applicant may have a review of the decision before a court of equity, as provided in sections 5 and 6, title 2, of the national prohibition act (U. S. C., title 27, secs. 14 and 16).

Under the bill we give the Attorney General 10 days within which to make that investigation. The gentleman's amendment changes that language and says that he must immediately furnish the information. The only recourse the Attorney General will have under the language carried in the gentleman's amendment will be to refuse approval of the application for lack of time to investigate the character of the applicant, and that will end the matter. It is going to result in scores and hundreds of permittees failing to get their permits, because the Attorney General would be compelled to decide the question immediately. For that reason, if for no other, and for the protection of these very permittees, the gentleman's amendment should be voted down.

Mr. WILLIAM E. HULL. Let me ask the gentleman a question. If the gentleman were in the wholesale drug business conducting a legitimate business, and asked the Secretary of the Treasury to give him a permit and he was willing to do it because he knew the gentleman was a legitimate business man, and the Attorney General would say to the Secretary of the Treasury, "I want to stop that man from getting a permit," would the gentleman think that would be fair to him?

Mr. WILLIAMSON. Probably not, but the Attorney General, under the gentleman's amendment, would be compelled in self-defense to disapprove of the applications sent to him, because he would not have an opportunity to investigate. The gentleman overlooks other provisions in the bill which give him a veto power on the issuance of permits.

Mr. WILLIAM E. HULL. That is exactly what my amendment does. It turns it around, and gives the permit system first to the Treasury, and gives the Attorney General the right if the Treasury does grant a permit that is not correct, to stop it, but it does not give the Attorney General the right to go into a man's business and ruin it.

Mr. WILLIAMSON. Mr. Chairman, whatever the gentleman intends, his language does not carry out his meaning. I say to the gentleman from Illinois that the supplemental permits to which he has reference can be taken care of under the bill without a moment's delay. The Attorney General does not touch these. Here the gentleman is offering an amendment which will result in the opposite of what he wants done.

Mr. WILLIAM E. HULL. There is nothing about supplementary permits in my amendment at all. What I want is to have general business taken care of. The supplemental permits have nothing to do with it.

Mr. WILLIAMSON. I fear the gentleman is offering this amendment without having had the time to study the prohibition law and its relation to this bill. The whole permit structure must be considered, and when considered I feel confident that the amendment offered will do business using alcohol more harm than good.

Mr. CRAMTON. Mr. Chairman, I move to strike out the last word. I initiated the legislation two or three years ago that resulted in the creation of the present Bureau of Prohibition.

tion. I recall very well that the passage of that legislation was fought for two years by these same business interests that are now protesting. They were afraid of a change, but the Congress made the change and they all now testify they are better off than before the change. They are just naturally afraid of a change. They are afraid they are going to be hurt, when, as a matter of fact, they are not going to be hurt.

As to this legislation and the general program of prohibition enforcement legislation asked by the President, I insert the following statement of the attitude of the National Conference of Organizations Supporting the Eighteenth Amendment:

**THE NATIONAL CONFERENCE OF ORGANIZATIONS
SUPPORTING THE EIGHTEENTH AMENDMENT,
Washington, D. C., February 1, 1930.**

To the Congress:

The National Conference of Organizations Supporting the Eighteenth Amendment, consisting of the organizations listed on the reverse side of this letterhead, at its annual meeting on December 11 and 12, 1929, unanimously adopted the following resolutions in favor of pending legislative proposals:

"The President of the United States has presented in his annual message to Congress certain proposals for reorganization of the agencies of prohibition enforcement, including the transfer from the Treasury Department to the Department of Justice of certain activities connected with prohibition enforcement, which he recommends be made effective through legislation. We respectfully represent that the President, primarily charged with the responsibility of successful enforcement, should be given all legislation necessary to make his policies effective. We hereby voice our confidence in him, and pledge him our unqualified support in his program for prohibition enforcement.

"The national conference also declared for adequate legislation for the enforcement of prohibition in the District of Columbia, as emphasized by the President."

Since the meeting of the national conference the President has recommended to Congress additional legislative measures. The indorsement by the National Conference of these later recommendations is given through the declaration "that the President, primarily charged with the responsibility of successful enforcement, should be given all legislation necessary to make his policies effective."

The committee on legislation of the national conference has requested that the resolution adopted by the conference be submitted to the Congress. This committee is composed of the Washington representatives of the following organizations: Anti-Saloon League of America; Association in Support of National Prohibition; Board of Temperance, Prohibition, and Public Morals of the Methodist Episcopal Church; Board of Temperance and Social Service of the Methodist Episcopal Church South; Committee on Promotion of Temperance Legislation in Congress; Flying Squadron Foundation; International Order of Good Templars; International Reform Federation; National Woman's Christian Temperance Union.

Respectfully submitted for the national conference.

EDWIN C. DINWIDDIE, *Secretary.*

The National Conference of Organizations Supporting the Eighteenth Amendment includes the following organizations:

COOPERATING ORGANIZATIONS

Alcohol Information Committee; Anti-Saloon League of America; Association of Catholics Favoring Prohibition; Association in Support of National Prohibition; Board of Temperance, Prohibition, and Public Morals of the Methodist Episcopal Church; Board of Temperance and Social Service of the Methodist Episcopal Church South; Board of Temperance and Social Welfare of the Disciples of Christ; Catholic Clergy Prohibition League; Commission on Law Enforcement of the Congregational Church; Commission on Social Service of the Southern Baptist Convention; Committee on Promotion of Temperance Legislation in Congress; Department of Moral Welfare of the Board of Christian Education of the Presbyterian Church in the United States of America; Department of Social Service of the United Presbyterian Church; Department of Social Service of the Universalist Church; Flying Squadron Foundation; Friends' Board on Prohibition and Public Morals; International Order of Good Templars; International Reform Federation; International Society of Christian Endeavor; National Civic League; National Division of the Sons of Temperance of North America; National Reform Association; National Temperance Society; National United Committee for Law Enforcement; National Woman's Christian Temperance Union; Prohibition National Committee; Scientific Temperance Federation; Social Service Division of the American Baptist Home Mission Society; Temperance Committee of the Reformed Presbyterian Church; Unitarian Temperance Society.

Mr. HUDSON. Mr. Chairman, I rise in opposition to the pro forma amendment. We have been discussing the policies of the department in the handling and regulation of permits. To-day Doctor Doran has placed in my hands a complete statement of the policy the Government is following in the handling of per-

mits of legitimate business. I ask unanimous consent to extend my remarks by including this statement.

The CHAIRMAN. Is there objection?

There was no objection.

The statement is as follows:

Government supervision of the manufacture, storage, distribution, sale, and use of alcohol for scientific and industrial purposes is a major phase of the permissive system set up under the national prohibition act.

The Bureau of Prohibition here deals with an essentially scientific and technical problem. It is not in any sense a criminal administration. But that fact is recognized by few outside technical and industrial fields of activity.

Congress, in enacting the law to enforce the provisions of the eighteenth amendment, specified that industry should have an "ample" supply of alcohol. Congress recognized the vital dependence of industry upon a steady flow of alcohol for use in the manufacture of thousands of products that are every-day necessities.

The purpose is to set forth salient facts on the subject. A review of these facts will enable the reader to appreciate more fully the scope of the Government's supervision and control of alcohol as a chemical raw material.

Congress 23 years ago passed the denatured alcohol act providing for the withdrawal of alcohol, free of Government tax, when denatured with materials rendering it unfit for beverage use.

By lifting the Federal tax on alcohol for industrial purposes Congress thus enabled the American chemical industry to surpass many other industries in its achievements.

The use of industrial alcohol in the United States has increased from 1,000,000 gallons a year in 1906, when the Federal tax was removed, to more than 100,000,000 gallons a year at the present time.

Denatured alcohol is not intended for any internal medicinal or food use. Pure alcohol for internal medicinal or food use must be tax paid.

Congress imposed upon prohibition administrative officials the duty "to place the nonbeverage alcohol industry and other industries using such alcohol as a chemical raw material, or for other lawful purposes, upon the highest possible plane of scientific and commercial efficiency consistent with the interests of the Government."

The Bureau of Prohibition, as made clear by Congress, is charged with these duties:

1. To make industrial alcohol unfit for use as an intoxicating beverage.

2. To make an ample supply of such alcohol available to industry.

The denaturant in industrial alcohol must have these characteristics:

1. In its original mixture the denatured alcohol shall be unfit for beverage purposes.

2. The denaturant shall be such that it can not be removed from the mixture and the treated product made fit for beverage purposes without great difficulty.

3. The denaturant shall not interfere with the use of alcohol for industrial purposes.

Denatured alcohol is ethyl alcohol to which has been added such denaturing materials as render the alcohol unfit for use as an intoxicating beverage. It is free of tax and is solely for use in the arts and industries.

There are two kinds of denatured alcohol:

1. Completely denatured alcohol.

2. Specially denatured alcohol.

(a) Completely denatured alcohol is ethyl alcohol treated with various substances, according to two existing formulas. After denaturation it may be sold and used within certain limitations without permit and bond. It can not be used internally.

(b) Specially denatured alcohol is ethyl alcohol so treated with denaturants as to permit its use in a greater number of specialized arts and industries than is possible in the case of completely denatured alcohol. The character of specially denatured alcohol is such that it may be sold, possessed, and used only pursuant to permit and bond.

The method adopted by Congress in 1906, and reiterated in the national prohibition act, requires that methyl or wood alcohol (now known as "methanol") or other suitable denaturing materials be added to alcohol intended for use in the arts and industries so as to render it unfit for beverage purposes.

The national prohibition act employed a slightly different wording than the original act of 1906 by merely stating that the alcohol withdrawn for industrial use should be denatured by the addition of such materials as would render it unfit for use as an intoxicating beverage.

Many factors bearing on the problem require extended scientific investigation. For example, the denaturing substances employed in completely denatured alcohol must be of such a nature as to remain with the alcohol under the most severe manipulative treatment. The substances must be noncorrosive and, in the quantity used, nontoxic, and the compounded formula must be suitable for lawful industrial use.

There is a misapprehension in the public mind as to the underlying reasons for the use of the denaturing grade of methanol.

The denaturing grade of methanol is used because of its distinctive odorous substances, commonly designated as pyroigneous compounds, which can be easily detected by the individual as a mixture or liquid with a disagreeable odor and taste, wholly unfit for consumption.

Every well-informed chemist knows that the long-continued use of methanol by all countries is based on sound scientific principles.

Being closely related chemically to ethyl alcohol (ethanol), having a boiling point only slightly below that of ethyl alcohol and having the physical properties closely resembling ethyl alcohol, it is a substance that can not easily be removed.

The fact that methanol forms constant boiling point mixtures with ethyl alcohol, and if redistillation is attempted, carries over with it in the distillate these odorous pyroigneous compounds, discloses the chief reason for its world-wide use as a basic denaturing agent.

The passage of the national prohibition act was coincident with the development of a large and varied chemical industry in the United States.

The further development of formulas for specialized industries enabled these industries to maintain themselves through the period of adjustment incident to the inauguration of national prohibition.

The special formulas were designed primarily for particular industries. Due consideration was given to the chemical and commercial factors making for efficient production.

For example, in the artificial-silk industry one of the principal grades is nitrosilk, which is a colloidal solution of nitrocellulose in an alcohol-ether mixture. In this case the denaturant employed is ether. Its use not only renders the alcohol unfit for beverage purposes, but gives a mixture which meets every scientific and manufacturing requirement.

Another example of the application of specialized formulas is the addition of a basic perfume material to the alcohol designed and intended for the perfumery and toilet-water trade.

This substance, known chemically as "diethylphthalate," when added to the alcohol renders it extremely bitter and distasteful. The chemical is odorless, and is a logical component of complex perfume mixtures.

In the development of these specialized formulas it has been the effort of the department, in cooperation with the industries concerned, to devise formulas that will render the alcohol unfit for beverage purposes and yet enable the industry to employ the material in the most efficient way.

There are 68 specialized formulas. Half of them were authorized prior to 1920. None of these mixtures are available to the public and are only procurable under the permit system in effect since 1906.

The express intent of the act is that completely denatured formulas be available for lawful purposes, such as domestic fuel and automobile antifreeze solutions. It is essential that the formulas be of such a nature as to render the alcohol not necessarily highly toxic, but objectionable and obnoxious when used as a beverage.

It is practically impossible to consume one of the treated concoctions without knowing that the liquid is unfit for consumption.

As a precaution against accidental use, the regulations require that completely denatured formulas in packages containing 5 gallons or less be sold under skull and crossbone label. Current scientific work of the department, therefore, is being directed with a view of strengthening these formulas, not by rendering them more toxic, but less potable.

Investigative work by the department has developed the suitability of certain complex oil compounds of an odorless and disagreeable nature which are nontoxic. These compounds, when used with a minimum quantity of methanol, will remain with the alcohol under manipulative treatment.

It is the aim of the department to protect and encourage the lawful use of industrial alcohol. Consequently much scientific work is being done on this subject in order that the public may have the maximum protection.

The present development of chemical industry in the United States and the fact that other countries are adopting some of our special methods is evidence of the constructive course pursued by the department. The present system of denaturation meets with the approval of those industries whose continued progress is essential to the public good.

A weak policy of denaturation would promote illegal operations. It would also lessen the protection afforded the public.

Industrial alcohol has become a most important factor in the scientific and industrial progress of the United States.

Without a large supply of industrial alcohol at a moderate cost it would not be possible to promote a great many of our essential industries.

Since the World War there has been a remarkable development along chemical manufacturing lines in the United States. To-day our industries consume more industrial alcohol than those of any other country.

There are now more than 25,000 users of industrial alcohol engaged in manufacturing.

Industrial alcohol is a necessary solvent in the manufacture of hundreds of drugs and medicinal preparations. It is the solvent used

in the preparation of flavoring extracts for household and manufacturing purposes.

In the manufacture of many synthetic chemical compounds used medicinally and in the arts and industries it is a solvent as well as a component part. It is employed in the manufacture and purification of many of the so-called "coal-tar" medicinal compounds. It is a necessary solvent in the manufacture of dyes.

It is an essential material for the manufacture of ethyl ether, both technical and anesthetic grades. It is a solvent for all kinds of varnishes, shellacs, paints, lacquers, and miscellaneous protective coverings.

Industrial alcohol, as such, and ethyl acetate, which is manufactured from alcohol, are widely used in the manufacture of lacquers which employ nitrated cotton as a base.

The entire automobile industry employs millions of gallons of these cotton lacquers.

Alcohol is used as an antifreeze agent in automobile radiators. It is also used as a cleaning fluid and as a sterilizer in hospitals.

One of the principal grades of artificial silk requires large quantities of alcohol and ether made from alcohol.

The few users of alcohol here mentioned merely illustrate its wide use in all of our industrial operations.

The Government, with the assistance of scientists and technologists of the industries concerned, after extensive research work selected the denaturants used for rendering industrial alcohol unfit for beverage purposes.

The denaturants are selected on account of certain technical and manufacturing requirements. Many of the denaturants add to the utility of industrial alcohol.

In the earlier years of prohibition a permit for the manufacture of industrial alcohol did not limit the manufacturer in his production.

As a result more alcohol was produced than needed for legitimate industry, thus making diversion of the surplus possible through thefts and other lawless acts.

After conference with the Department of Justice, about two years ago, the Bureau of Prohibition put into effect a quantitative control of the production of industrial alcohol.

This control policy provides only for known legitimate needs with reasonable commercial tolerance to obviate price manipulation.

The Government's method of inspection is very thorough. The danger of diversion to illicit channels has been greatly reduced.

A dishonest manufacturer who diverts specially denatured alcohol obtained on a Government permit is caught eventually by Government inspectors. He must then pay the penalty imposed for violation of the law.

Every manufacturer desiring to use specially denatured alcohol must file application for permit. Before such permit is granted a thorough investigation of the officers of the company is conducted.

Information regarding the product to be manufactured, the formula to be used, and the potential market for such a product must be furnished.

The Government endeavors to determine whether or not the business is legitimate. The plant is inspected by Government officers at regular intervals. They have access to the company's records at all times.

Permits are not granted until after satisfactory inquiry is made as to the character of business in which the prospective permittees were formerly engaged.

After applicants have satisfied the administrators that they are of good moral character, are financially responsible, have properly equipped places for conducting business, have provided safe storerooms for storing alcohol, have furnished satisfactory samples of finished products and formulas, have shown that there is a legitimate demand for the products they intend to manufacture, and have filed sufficient bonds to cover their alcohol withdrawals, permits are then granted.

When the national prohibition act became effective, 7 completely denatured-alcohol formulas and more than 30 specially denatured-alcohol formulas were authorized by the Treasury Department. These were being sold and used under regulations in effect at that time throughout the country.

In the early period of national prohibition no trouble was experienced with the diversion or illegal use of either completely denatured alcohol or specially denatured alcohol.

As prohibition enforcement became more effective it was more difficult for bootleggers to obtain genuine whisky. Consequently they turned to nonbeverage alcohol. This alcohol could be procured under permits for the manufacture of both external and internal alcoholic preparations.

Since pure alcohol can be easily diverted to beverage purposes without requiring any treatment, the policy of compelling the use of specially denatured alcohol in the manufacture of external preparations was inaugurated.

In order to divert specially denatured alcohol to beverage purposes it must be subjected to redistillation and, in some instances, chemical treatment so as to make it potable.

This policy was effective for a long period, and as it became increasingly difficult to obtain beverage liquors, bootleggers then turned to

completely and specially denatured alcohol for the source of their supply.

As soon as the Treasury Department learned of this development measures were adopted to shut off this new source of illicit liquor.

Diversions were reduced as a result of intensive experimental work in the bureau laboratory on denaturants for completely denatured alcohol.

The same policy was followed in regard to specially denatured alcohol when it became known that certain formulas or certain products manufactured with specially denatured alcohol were being used as a source of illegal liquor.

The present problem growing out of the diversion of industrial alcohol relates to the prevention of unlawful manipulation of products made from denatured alcohol.

Progress has been made in the past few years, and especially during the past six months, in checking alcohol diversions. Many questionable permittees have been put out of business.

There probably always will be some diversion and illicit manipulation of products made from denatured alcohol. But the total volume of such diversions is a small percentage of the total production of alcohol manufactured lawfully for legitimate commercial use.

Strengthening of safeguards in this field of permissive work is a constant endeavor of administrative officials. Greater caution which is being constantly exercised in the issuing of permits and the more effective prosecution of those who are found to be implicated in conspiracies to divert into illicit channels lawful products in the manufacture of which alcohol is an essential will tend to render the problem less difficult.

Marked success rewarded the day-by-day efforts of the Federal inspectors and investigators last year to drive alcohol diverters out of the ranks of individuals and firms holding Government permits to use alcohol for commercial purposes.

Several hundred individuals and firms were cut off of the Government permit list last year. The daily hunt for diverters continues with unceasing earnestness.

Critics, lacking facts as a basis for their fears, have greatly magnified the extent and danger of industrial-alcohol diversions. They are not aware of the reasons for these diversions. They lose sight of the fact that one of the principal sources of illicit alcohol in the hands of bootleggers to-day is corn sugar, the production of which has risen from 150,000,000 pounds in 1921 to 960,000,000 pounds the past year.

The truth is that out of a total of 106,960,458 wine gallons of alcohol produced legally in 1929 only a small percentage reached illicit channels through permittees. There is no known method of tracing the exact quantity that may have been diverted.

The bureau is constantly studying and devising new ways and means of reducing alcohol diversions.

The fact that there are alcohol diversions is not the result of laxity of administrative officers of the Government in enforcement of the regulations.

The chief handicap that faces Government administrative officials in stopping diversions is just this:

The law is that the Government can not trace industrial alcohol down the line of its varied uses beyond the first purchaser of alcoholic products manufactured by firms or individuals holding Government permits.

True enough, the Government has control over the use of alcohol by manufacturers licensed to make certain products, with alcohol as a raw material, and does require such manufacturers to furnish the Government with the name and address of the wholesale dealer or other dealer who buys his products ostensibly for lawful sale.

Existing law, as interpreted by the highest court decisions, is that the Government does not have the power to compel the first purchaser to disclose what disposition was made of his products.

There is nothing in the law to compel or make it possible for the Government to require these wholesale dealers or jobbers or other class of dealers in the group of original purchasers to operate under permits.

There are many of such original purchasers who have corporate names and under the law can not be compelled to show their books. Many of them have been, and are still, suspected of not disposing of their products, purchased from permittees, in a legal manner. Many permittees who are selling their products to first purchasers are operating under permits, restored by the courts, after their permits were previously revoked by prohibition administrators.

Many diverters will be caught and prosecuted. But the Government, lacking the power to require them to open their books and produce other records showing disposition of their products down the line to the ultimate consumer, makes it almost a superhuman task to detect them in violations, with abundant proof that will stand the test in court, in prosecutions for conspiracy or other violations of the prohibition laws.

It is clear, therefore, that as long as the Government is thus restricted by the explicit provisions of existing law against delving into dealers' records beyond the original purchaser, a certain minor quantity of industrial alcohol will continue to be classified as questionable.

The fact should not be lost sight of that a skilled chemist and technician can recover alcohol from almost any mixture, in which it is

lawfully used, provided he has the resources and facilities at his command.

The major effort of the Government is, and will continue to be, to stop alcohol leaks wherever it is humanly possible to stop them.

Gradual strengthening of the Government's policy of denaturing alcohol use through the elimination of those formulas which were being misused has been a major objective.

The records of recent years show the success of the bureau's efforts to eliminate dishonest permittees and thus check unlawful diversions of specially denatured alcohol.

Although there has been a great expansion of the chemical industries in this country and an increased legitimate demand for alcohol during the past four years, there has been a decrease in the number of permittees withdrawing and using specially denatured alcohol.

This is the result of the cautious policy pursued by the Bureau of Prohibition in the matter of issuing permits to withdraw and use industrial alcohol. A system of searching investigation has caused many undesirable permittees to be eliminated.

This process of elimination has aided greatly in the production of alcohol to take care of the tremendous increase in the manufacture of products requiring alcohol.

The undesirable permittees have been replaced by permittees who are withdrawing and using industrial alcohol for legitimate purposes.

Diverted liquor is only a minor factor in law enforcement. In large sections of the country this factor is negligible. It is attributed to the effective methods of control and supervision invoked under the permissive system.

The records offer convincing evidence that leakages and diversions, which in earlier years provided a substantial source for bootleg liquor, have been greatly reduced.

The rigid control exercised by the bureau is safeguarding all legitimate commercial requirements for industrial alcohol. At the same time large-scale criminal operations involving alcohol diversions have been effectively checked.

Although great care is exercised by the Government in issuing permits, some permittees are occasionally discovered in dishonest practices, and legal proceedings then must be instituted for the revocation of their permits.

In revocation matters the Government is compelled to adopt lengthy and tedious investigations in order to obtain necessary evidence to justify revocation of a permit. Mere suspicion that a permittee is not keeping faith with the Government is not sufficient under the law to warrant revocation. The law gives permit holders certain legal rights, and the burden of proof is upon the Government in instances of alleged diversion of alcohol or for other flagrant permit abuses.

Industrial alcohol is used in the manufacture of thousands of products, extending through the entire range of modern industry.

Illustrating the diversified uses, the following products of wide public consumption are picked at random from among the thousands catalogued under the denatured-alcohol formulas:

Essential oils used in perfumes; hundreds of drugs employed in medicine and pharmacy; soaps, shoe-blackening preparations, soldering fluxes, inks, disinfectants, silvered mirrors, cleaning solutions, brushes, powders, confectioners' colors, dentifrices, embalming fluids, feathers, artificial flowers, fertilizers, enamels, incandescent-lamp filaments, fireworks, hats, imitation ivory, jewelry, lacquers, nuclage, glass, lubricants, photographic engravings and films, furniture polish, solidified fuels, paper, celluloid, synthetic camphor, smelling salts, imitation rubber, certified food colors, liniments, lotions for external use, and barber supplies.

Motorists are using more than 35,000,000 gallons of completely denatured alcohol each year in antifreeze solutions for automobile radiators. Nearly 9,000,000 gallons of specially denatured alcohol are used annually in the manufacture of lacquers. More than 1,000,000 gallons are used in the manufacture of imitation leathers.

A single artificial-silk manufacturing concern uses 3,000,000 gallons of specially denatured alcohol. In the manufacture of bathing alcohol more than 1,000,000 gallons are required. More than 5,000,000 gallons are used in the manufacture of shellacs, varnishes, and paints. In the manufacture of vinegar more than 9,000,000 gallons are used. Toilet-water preparations, perfumes, and cosmetics require about 2,000,000 gallons each year.

Ethyl alcohol (pure alcohol) is necessary in the manufacturing of a wide range of food and medicinal products, and the demand is growing in volume with the normal expansion of business and the growth of population.

Approximately 9,000,000 gallons of ethyl alcohol were withdrawn during the last fiscal year by the manufacturers of drugs, food preparations, flavoring extracts, and other commodities designed for internal human consumption.

Considerable pure alcohol is also sold, tax free, to hospitals and to educational institutions for laboratory and scientific purposes.

There has been a substantial increase during the past fiscal year in the quantity of completely denatured alcohol and specially denatured alcohol manufactured. This is readily accounted for by heavier normal demands.

An increase of several million automobiles in the United States has required additional millions of gallons of completely denatured alcohol for antifreeze purposes. A large increase in the quantity of specially denatured alcohol was needed to furnish lacquers now used in finishing automobiles.

There has been an expanding market for lacquers manufactured from specially denatured alcohol to finish furniture and interiors of residences. The steady expansion of the artificial-silk industry has required additional millions of gallons of specially denatured alcohol.

The growth and expansion during the past fiscal year of the chemical industries has also required more alcohol. It is the basic raw material used in thousands of preparations and processes.

The Government has listed industrial alcohol as one of the Nation's key industries.

The question of the use of industrial alcohol in national defense must be considered. The necessity of a self-contained dye industry is clearly apparent.

The alcohol industry in its peace-time activities sustains the other chemical industries, and is so constructed that it can be expanded rapidly to meet war-time needs. The alcohol industry, therefore, has a fundamental relation to the country's welfare.

The Government in administering the permissive phases of the law relating to industrial alcohol has to pursue a watchful policy in connection with the use and handling of alcohol through its varied commercial channels.

Let us bear in mind the volume of work involved in the Government's task of regulation and supervision.

There are more than 150,000 permittees using or handling alcohol in some manner, including physicians and druggists.

There are 52 plants producing alcohol for commercial purposes. These plants produced more than 100,000,000 wine gallons of alcohol during the last fiscal year.

There are 77 denaturing plants and 75 bonded warehouses.

The magnitude of the Government's job in supervising the activities of those using or handling industrial alcohol may be easily realized when it is recalled that each one of these individuals and concerns is operating under Government permit. Each permit involves a certain amount of necessary official procedure in the work of maintaining proper control and safeguards.

Review of records and reports regularly required from those producing, using, or handling industrial alcohol furnishes a large volume of work for the Government.

A daily record of all alcohol received, used for denaturing, or withdrawn for shipment is made by the proprietor of the plant. Denatured alcohol produced and sold is recorded daily. A summary of these transactions must be made to the Government regularly. The record shows every detail relating to the shipment or delivery.

The Government requires a monthly statement regarding all transactions in recovered alcohol.

An important requirement is that a plant proprietor shall make daily reports, in triplicate, of all alcohol and denaturants used, as well as all denatured alcohol produced. These reports are sent promptly to Government officials supervising these operations.

The Government does not require a permit to purchase, sell, or use completely denatured alcohol. It does require all persons dealing in, storing, or using as much as 11 barrels within a period of 30 days to keep a record for inspection by Government agents.

All persons dealing in specially denatured alcohol keep records of all receipts and deliveries each day, and must keep these open for inspection by Government officers at all times.

Summarized reports of all transactions must be forwarded at stated intervals to the Commissioner of Prohibition and to the prohibition administrators.

All alcohol-producing plants are privately owned, but are operated under Government permit and supervision.

Federal inspectors, known as storekeeper-gaugers, are constantly on duty and supervise all the activities of the plant regarding manufacture, storage, shipment, and the keeping of proper records.

Each alcohol distillery is heavily bonded, and the Government obtains a prior lien on the property, which is liable to forfeiture on proof of violation of the law and regulations governing plant operation.

The control policy on primary production has been successful. It has prevented a large surplus of alcohol which would inevitably be diverted for illicit purposes.

While the bureau's control policy is absolutely necessary to prevent illegal manufacture, distribution, and use of alcohol, it must not react unfavorably, from the consumer's viewpoint, on the price of industrial alcohol.

The manufacturers of industrial alcohol have cooperated in a straightforward way with the bureau in bringing about this desirable result.

Thus cooperation safeguards all reasonable commercial operations. The trade is thereby protected from the criminal element ostensibly engaged in legitimate business to cover up its illegal liquor operations.

Mr. ELLIS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. Is the amendment that the gentleman wishes to offer an amendment to the amendment offered by the gentleman from Illinois [Mr. WILLIAM E. HULL]?

Mr. ELLIS. No.

The CHAIRMAN. Then it is not in order now. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. WILLIAM E. HULL. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 6, noes 113.

So the amendment was rejected.

Mr. WILLIAMSON. Mr. Chairman, I ask unanimous consent that all debate on this question and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from South Dakota asks unanimous consent that all debate on this section and all amendments thereto close in 10 minutes. Is there objection?

Mr. ELLIS. I object.

The CHAIRMAN. The gentleman from Missouri [Mr. ELLIS] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. ELLIS: Page 7, line 7, after the word "any" where it occurs the second time, insert the word "basic."

The CHAIRMAN. The gentleman from Missouri [Mr. ELLIS] is recognized for five minutes.

Mr. ELLIS. Mr. Chairman and members of the committee, I have introduced this amendment to insert the word "basic" after the word "any" and before the word "permit" in line 7 of page 7, because I believe it will largely remove objections of the business interests of the country to such change as is proposed in the manner of issuing permits.

The chairman of the committee [Mr. WILLIAMSON] on two occasions to-day has said, if I understood him correctly, that the issuance of what is known as administration or supplemental permits—permits issued for the withdrawal of liquor from the warehouses after the basic permits have been granted—will not be disturbed by this bill; that the Attorney General will not, under the contemplation of the framers, interfere at all in the immediate issuance of such permits.

Now, the other kind of permits known in the administration of the prohibition law are basic permits. Those are the permits that are issued to a concern, in the first instance, to do business—to withdraw alcohol or liquor for use or sale. They are well defined in the preceding section as those permits that are issued for more than 90 days.

Now, if you put this word "basic" before the word "permit" at that point, you settle one question. The Attorney General will interfere only if and when he thinks it advisable, and only with respect to basic permits—the permits that run usually for a year. Now, these business institutions—and I refer only to honest institutions that are honestly observing this law—feel that they have a grievance, that they have not been heard. That has come out in the debate. But if I understand them correctly—and I think I do—they will be perfectly satisfied if this dual control applies only to those long-time permits.

I am opposed to all the suggestions here of limiting the powers of the Attorney General to make investigations. This amendment will in no way limit the power of the Attorney General to investigate and keep posted on the issuance of all permits, including those which the chairman of the committee says he does not propose to interfere with at all. I see no reason why this committee should not consent to this amendment and put this matter beyond all doubt or uncertainty. If I am not right about it, the gentleman is not candid with this House when he says there is no proposal here to interfere with these supplemental permits. Either the chairman is not in good faith in making the statement to this House or he will be willing to make the distinction clear by the express terms of the bill. [Applause.]

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. WILLIAMSON. Mr. Chairman, if I may have the attention of the members of the committee for a moment, I want to call their attention to what the effect of the gentleman's amendment will be.

The CHAIRMAN. The gentleman from South Dakota is recognized for five minutes.

Mr. WILLIAMSON. If you write in the word "basic" before the word "permit," it will mean that the Attorney General will have no voice in granting any kind of a permit, for the basic permits are the permits which are given for not more than a year. As I understand the term, "basic permit" relates to the annual permits. He has no voice in granting the supplemental permits under the bill as it stands. Take away from him a voice in basic permits and he is out of the picture.

Mr. ELLIS. The gentleman will admit that that is not the case. There is a distinction between the basic and the short-time supplemental permits under this law. What these honest concerns want is to know that the short-time emergency permits—the permits which relate simply to the withdrawal of liquor, the right to do which is granted to them in their general permit—will not be interfered with.

Mr. WILLIAMSON. The Attorney General can not interfere with the supplemental permits as the bill stands. The gentleman's amendment will not change this situation, but will take it out of his power to deal with any kind of permits.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Missouri.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

Sec. 8. The Bureau of Prohibition in the Treasury Department shall thereafter be known as the Bureau of Narcotics and Industrial Alcohol, and the Commissioner of Prohibition in the Treasury Department shall hereafter have the title of Commissioner of Narcotics and Industrial Alcohol.

With the following committee amendments:

On page 7, in line 17, strike out the word "thereafter" and insert in lieu thereof the word "hereafter."

In line 18, strike out the words "narcotics and."

In line 20, strike out the words "narcotics and."

The CHAIRMAN. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The Clerk read as follows:

Sec. 9. When used in this act, the term "national prohibition act" means the national prohibition act of October 28, 1919, as amended and supplemented, and includes any act for the enforcement of the eighteenth amendment.

With the following committee amendment:

On page 7, in line 24, after the figures "1919," strike out the words "as amended and supplemented" and insert in lieu thereof the words "and all acts amendatory thereof or supplementary thereto."

The CHAIRMAN. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The Clerk concluded the reading of the bill.

The CHAIRMAN. Under the rule the committee automatically rises.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. Hooper, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 8574) to transfer to the Attorney General certain functions in the administration of the national prohibition act, to create a bureau of prohibition in the Department of Justice, and for other purposes, and had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. Under the rule the previous question is ordered. The question, therefore, is on agreeing to the amendments. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. WILLIAMSON, a motion to reconsider the vote by which the bill was passed was laid on the table.

ROAD BUILDING PROGRESS IN THE CHELAN AND WENATCHEE NATIONAL FORESTS

Mr. HILL of Washington. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by printing a statement furnished me by one of my constituents with reference to the road-building program in our national forests in the State of Washington.

The SPEAKER. The gentleman from Washington asks unanimous consent to extend his remarks in the Record by printing a statement from one of his constituents with regard to the road-building program in our national forests. Is there objection?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, the gentleman from Massachusetts [Mr. UNDERHILL] has made many objections to extraneous matters like speeches and statements of non-Members being printed in the Record. Of course, I am not taking his place.

Mr. HILL of Washington. I will say to the gentleman that this is a statement which I asked him to furnish me with reference to the specific problems relating to the national forests in my own district.

Mr. LAGUARDIA. It is a communication sent to the gentleman from Washington by a constituent?

Mr. HILL of Washington. It is a statement I asked him to prepare, and he has prepared it for me. It deals with the question of the road-building program in the national forests in my district.

The SPEAKER. Is there objection?

There was no objection.

Mr. HILL of Washington. Mr. Speaker, under leave granted I herewith offer for the Record the following statement on the necessity for an expansion of the road-building program in the Chelan and Wenatchee National Forests for better protection of the timber and watersheds therein against fire. The statement was prepared by Hon. M. E. Field, of Chelan, Wash. Mr. Field is a former State Representative of the State of Washington. He is a man of wide experience and observation and has an intimate knowledge of the conditions in the national forests discussed in this statement. He is the president of the Four County Council, an organization representing all the commercial bodies in the counties of Chelan, Okanogan, Douglas, and Grant, in the State of Washington. I confirm and wholeheartedly indorse this statement and commend it to the serious consideration of Congress. The statement follows:

STATEMENT BY M. E. FIELD, OF CHELAN, WASH.

Eleven States of the West hold the last stand of timber of our country. A heritage of inestimable value to all people of the United States this timber, with alarming rapidity, is being destroyed by fire. Through this agency of destruction we see our timber wealth vanishing, our water sources failing, our natural beauty fading away. This deplorable harvest is being gathered from lack of care of our national forests. No part of the West is suffering more keenly by reason of forest fires than the north-central portion of the State of Washington, where are located the Chelan and Wenatchee National Forests. For years past these two have been known as the fire forests of Washington; they are located on the eastern side of the Cascade Range of mountains, in what may be termed the dry zone. Precipitation in these is less than in other forests of the State, but of the two precipitation is less in the Chelan than in the Wenatchee Forest. The Chelan is the largest and the driest forest in Washington, has suffered more keenly from fires during a period covering the last 20 years than any other Washington forest, and during the year 1929 suffered greater losses than any other national forest in the United States.

Among the losses we note the lives of three valued and respected men sacrificed while trying to save the people's property; burning over an area of 58,000 acres; total loss of 140,000,000 feet of good matured timber, together with 30,000 acres of protection forests; flumes and buildings of private owners; and \$177,500 paid by the Federal Government as fire-fighting expense carries the total property damage of this one fire to a sum well in excess of \$1,000,000.

Then, in addition to all these losses, we have to consider damage resulting from denuded watersheds.

Area burned over in the Wenatchee Forest in 1929 was 6,100 acres; fire damage, \$21,000; cost of fighting the fire, \$85,000. Area burned over in the Rainier National Forest during the last 10 years, 2,560 acres; fire damage to timber and forest, \$11,682.

All of the above figures and estimates are furnished by forest officers of the three national forests under discussion, positively demonstrating comparative fire damage and comparative need for fire protection. However, these estimates apply to property damage only. Fire damage in forests providing water for purposes of irrigation and power is infinitely greater than in those that do not.

The State of Washington produces more first-quality apples than any other State in the Union. The greatest apple-producing portion of Washington lies between the Cascade Range of mountains and the Columbia River, comprising the valleys of the Yakima, and other rivers farther north, including the Wenatchee, Entiat, Chelan, Methow, Okanogan, and their various tributaries, the whole extending from the Canadian border to the city of Pasco. It is the greatest apple-producing section because altitude and climate are right for both quality and quantity production.

Apples grown in Washington are consumed in all markets of the world and everywhere considered to be of the world's best. The area above described produces Washington's best. The agricultural products of this area in 1929 sold for a sum exceeding \$75,000,000. Manufactured goods shipped into this same territory over the transcontinental railroads and purchased by people living there cost more than \$50,000,000.

The whole development, production, and progress of central Washington is built on water. All water used for irrigation and power purposes is drained from the watersheds of the Chelan, Wenatchee, and Rainier National Forests.

The area of the Chelan Forest is 1,843,316 acres; the area of the Wenatchee Forest is 1,376,252 acres; area of the eastern side of the Rainier Forest, 648,236 acres; total, 3,867,748 acres. Area of lands now under irrigation and others available for irrigation with water from these forests totals approximately 900,000 acres, or 1 acre of agricultural land dependent on each 4 acres of forest land for water for all purposes in this area that carries the burden of production of the greater portion of all apples, pears, and soft fruits produced in the State of Washington.

The estimated amount of matured timber in the Chelan National Forest is 4,548,126,000 board feet, and in the Wenatchee Forest about the same amount, a total of approximately 9,000,000,000 feet. Owing to location, a considerable portion of this matured timber has no commercial value, but as forest product for the preservation of moisture its value is inestimable. However, the greater portion of said timber would have commercial value if it were made available by building forest roads.

The watersheds of the Chelan Forest supply all water for irrigation and domestic purposes in the valleys of the Okanogan and Methow Rivers and the valley of Lake Chelan. These areas are extensive and produce abundantly of high-quality fruits and vegetables as well as other agricultural products.

In addition to the water used for domestic and irrigation purposes the Chelan Forest provides all water for the new \$10,000,000 hydro-electric plant of the Washington Water Power Co., located in the Chelan River, which supplies power for electrification of the Great Northern Railway lines through the State and power and light for the people of northern Washington. The efficiency of this great public necessity is certain to be seriously impaired if the watersheds in the Chelan National Forest are to be denuded by fire. The Wenatchee Forest supplies water for a greater area of agricultural land than is supplied by the Chelan Forest, but the fire hazard is not so great. The facilities for fighting fires are much better and the fire damage is much less.

The forests of the West are the great moisture storehouses. Experiments conducted by the Forest Service have demonstrated that snow deposited on areas that were covered by dense forest growth remains six weeks longer than on contiguous areas that have been denuded by fire.

Evaporation of denuded areas is much more rapid than on those having forest covering.

The season of the annual run-off is the crucial period in districts using water for irrigation. The early run-off is wasted unless storage facilities are provided, while the late run-off furnishes the normal stream flow for maturing agricultural products. Water storage is expensive, and in some localities where storage might be necessary no sites are available for storage reservoirs. All water-storage projects are encumbered with results of erosion. All denuded watersheds furnish silt for storage reservoirs. Forest growth on the areas where water sources exist is the only means of protection and conservation of watersheds.

Admittedly, the greatest agency of destruction of the forest of the West is fire. To successfully combat forest fires the first essential is to provide ways to get men and equipment to the location of the fire. This can be done only by building roads in the forests. In addition to roads, telephones, lookout houses and equipment are necessary.

There are responsibilities connected with conserving the Nation's forests. Congress is responsible for their care to the extent of appropriating sufficient funds for their protection and development. The Department of Agriculture is responsible for fair distribution of available funds to the various districts composed of national forests. The district forest office is responsible for the allocation of money to the various forests in the district in amounts representing their individual needs and deserts. Responsibility of presenting existing conditions and making contributive recommendation for expenditures for protection and development of national forests rests with the people living within the forest or in contiguous territory. In this connection, the Four County Council, composed of all commercial organizations of four counties of the north central portion of the State of Washington conferring with the supervisor of the Chelan and Wenatchee National Forests, has worked out a program of improvements for these two forests that are absolutely and immediately necessary for protection of their timber and watersheds from destruction by fire. The council adopted the recommendation of Supervisor A. H. Sylvester, of the Wenatchee Forest, to the effect that the immediate need for roads, trails, and other fire-protection equipment will necessitate the expenditure of \$500,000.

In the Chelan Forest recommendations cover the following items: Trails, telephones, lookout houses, and repairs on roads now being used, \$200,000. Two hundred miles of development road leading to six of the more important localities penetrating portions of the forest that are most seriously in need of protection, cost of construction estimated by Supervisor E. T. Harris of the Chelan Forest, \$800,000. Total for the Chelan Forest \$1,000,000.

Weather Bureau observations show that during the last 45 years precipitation has been gradually decreasing. Personal observations dem-

onstrate that the glaciers in the western mountain ranges are fewer in number and much smaller than they were 25 years ago.

The stream flow of all streams in the Chelan and Wenatchee Forests during the low-water season in 1929 was only half as much as the flow of the same stream at the same time of year in 1920. This condition is accounted for chiefly through lack of precipitation, but in part by fire destruction of forest covering permitting unusual early run-off from watersheds.

In making final analysis of the conservation situation, our conclusions are: First, all national forests and their content belong to the people and it is the duty of the Federal Government to protect and develop them; second, the most effective remedy for fire damage exists in building roads and trails in the forests; third, forests furnishing water for irrigation and power purposes are entitled to first consideration when allocations of public money are being made; fourth, allocations for forest development, roads, and trails should be made to each forest with special reference to existing roads and trails. To illustrate, the supervisor of the Rainier National Forest states that the eastern portion is quite well supplied with roads and trails and that the fire damage to the whole forest during the last 10 years is only \$11,628.

The Wenatchee Forest is traversed by one railroad and a considerable number of State and county roads. Fire damage in 1929, \$21,000; amount paid for fighting fire, \$85,000; total, \$106,000. The Chelan Forest has no railroad, a very limited mileage of roads of any kind; estimated fire damage in 1929, \$1,000,000; including \$177,500 paid for fighting fire.

The main objective of our Government since its inception has been to protect and develop natural resources and make them available for the use of home builders. One of the greatest of the natural resources in all America is, and always has been, the forests. Next, water for domestic and power purposes and later for irrigation. These resources furnish opportunity for home building and increased population. Proper protection of the forests of north central Washington insures development of all other natural resources of that important territory. Washington is a State of wonderful resources and opportunities. The north central portion possesses a very large share of these. We have the Columbia River, the greatest water-power stream on the American continent; the Columbia Basin reclamation project, comprising 2,000,000 acres of choice agricultural land, awaiting Federal aid in diverting water for irrigation and domestic purposes.

Scenic resources comprising mountains, glaciers, streams, lakes, and wonderful parks, these all are associated with forests and lose their charm when forests are destroyed by fire. Why should argument be needed to impress upon the people the necessity for their care? National forests are wards of the Federal Government and are entitled to a full measure of protection and development.

EXTENSION OF REMARKS

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on the bill just passed, and in so doing I would like to include a brief resolution of the National Conference of Organizations Supporting the Eighteenth Amendment.

The SPEAKER. The gentleman from Michigan asks unanimous consent to extend his remarks in the Record on the bill just passed and to incorporate therein a brief resolution of the National Conference of Organizations Supporting the Eighteenth Amendment. Is there objection?

Mr. SCHAFER of Wisconsin. Mr. Speaker, reserving the right to object, what are those organizations?

Mr. CRAMTON. They include the alcohol information committee, the Anti-Saloon League of America, and the association of Catholics favoring prohibition, and quite a number of others. I can read the whole list to the gentleman if he so desires.

Mr. SCHAFER of Wisconsin. Mr. Speaker, I shall not object.

Mr. LaGUARDIA. Reserving the right to object, is this conference supporting the bill and is it in favor of it?

Mr. CRAMTON. That is the reason I am asking to put this in the Record. It is their position with reference to the whole program of legislation, including this bill.

The SPEAKER. Is there objection?

There was no objection.

ROAD AND TRAIL BUILDING IN ALASKA

Mr. SUTHERLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record by including therein a letter addressed to the Speaker by the Secretary of War on January 4 and referred by the Speaker to the Committee on Territories. It is a two and a half page letter on a program of road and trail building in Alaska.

The SPEAKER. The gentleman from Alaska asks unanimous consent to extend his remarks by incorporating a letter from the Secretary of War. Is there objection?

There was no objection.

The matter is as follows:

WAR DEPARTMENT,
Washington, January 4, 1930.

The SPEAKER, HOUSE OF REPRESENTATIVES.

Washington, D. C.

DEAR MR. SPEAKER: As the existing program for construction of roads, bridges, and trails in Alaska will expire with the end of the fiscal year 1931, and in connection with a request from the chairman of the subcommittee of the Committee on Appropriations, House of Representatives, that a restudy be made of the Alaska road project in order that a new program for that work be furnished in time for use in considering the 1932 estimates, there are inclosed herewith a report from the Board of Road Commissioners of Alaska, dated July 23, 1929, and a copy of letter of transmittal from the Chief of Engineers, dated December 19, 1929, which report and letter propose alternate 5 and 10 year programs, beginning with the fiscal year 1932, for the construction of roads, trails, and winter sled roads in Alaska.

It will be noted that both programs contemplate practically the same work, but the 10-year program spreads the expenditures over a longer period. The total cost of the latter program provides for maintenance and improvement, \$9,047,000, and for new construction, \$7,500,000; total, \$16,547,000. Of the total amount required, the sum of \$2,300,000 will be derived from Alaskan sources and Federal appropriations amounting to \$14,247,000, to be made available in 10 installments varying from \$1,056,000 to \$1,652,000 per annum.

The proposed legislation has been submitted to the Director of the Bureau of the Budget, who advises that the expenditures contemplated by the proposed legislation would not be in accord with the policy of the President for the restraint of Federal expenditures.

Sincerely yours,

PATRICK J. HURLEY,
Secretary of War.

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF ENGINEERS,
Washington, December 19, 1929.

Subject: Project for the construction and maintenance of roads, trails, and winter sled roads in Alaska.

To: The Secretary of War.

1. I submit a report proposing programs for the construction and maintenance of roads, trails, and winter sled roads by the Board of Road Commissioners of Alaska, beginning with the fiscal year 1932. It is recommended that this report be transmitted to Congress.

2. The existing program for the work of the board expires with the end of the fiscal year 1931, and it is desired therefore to prepare a project to cover the future work of the board.

3. It is proposed under the project submitted herewith to construct 869 miles of new wagon and autotruck roads over new trails or over routes provided with summer or winter trails only. The road system under the existing program will, at the end of the fiscal year 1931, consist of approximately 1,723 miles of roads, 1,375 miles of winter sled roads, and 7,657 miles of trails. If the new project is adopted and executed the system will consist of 2,592 miles of roads, 982 miles of winter sled roads, and 7,291 miles of trails.

4. The past operations of the board, the physical and economic conditions in Alaska, the transportation system, detailed descriptions of all the proposed routes, and the benefits to be derived from the proposed operations are discussed and illustrated by maps and diagrams in the accompanying program.

5. Alternate 5 and 10 year programs are proposed by the board. The proposed programs have been studied in this office. It is believed that the development of Alaska requires a reasonable expansion of the transportation system, particularly in wagon and autotruck roads, to connect remote areas with the Government railroad and the navigable inland and coastal waterways. Both programs cover the same work, but the 10-year program spreads the expenditures over the longer period. The total cost of the 10-year project follows:

For maintenance and improvement.....	\$9,047,000
For new construction.....	7,500,000
	16,547,000

Of the above amount, it is expected that \$2,300,000 will be derived from Alaskan sources. The direct Federal appropriations required during the 10 years will be \$14,247,000, varying in amount per year from \$1,056,000 to \$1,652,000, as shown in detail in the program. This program meets the immediate needs of the Territory at a cost commensurate with the steady development of Alaska.

6. I therefore report that the adoption of a project setting up a 10-year program for the construction and maintenance of roads, trails, and winter sled roads is deemed advisable at an estimated cost of \$14,247,000, including maintenance. Funds should be made available in 10 installments, varying from \$1,056,000 to \$1,652,000.

7. Draft of letter to the Speaker of the House of Representatives transmitting copy of the report is herewith for signature the Secretary of War.

LYTLE BROWN,
Major General, Chief of Engineers.

EXTENSION OF REMARKS

Mr. TARVER. Mr. Speaker, I ask unanimous consent that I may extend my remarks in the RECORD on the bill H. R. 9444, and in connection therewith insert certain historical information appearing in a recent article published in the Atlanta Journal. The article in question is short, and the bill in question was introduced by myself.

The SPEAKER. The gentleman from Georgia asks unanimous consent to extend his remarks in the RECORD on the bill introduced by himself and to incorporate therein an article appearing in the Atlanta Journal. Is there objection?

Mr. BLACK. Reserving the right to object, may I ask what that bill is about?

Mr. TARVER. The bill has reference to the erection of a marker marking the last capital of the Cherokee Tribe before its removal west of the Mississippi River.

Mr. JOHNSON of Washington. Further reserving the right to object, Mr. Speaker, is not that the matter to which the gentleman from Massachusetts objected the other day?

Mr. TARVER. The gentleman will doubtless recall what occurred the other day. My position, of course, is that the gentleman from Massachusetts should ordinarily do his own objecting. If the gentleman desires to undertake that work for him, of course, that is his privilege.

Mr. JOHNSON of Washington. As a party to the effort to keep matters of that kind out of the RECORD, in the absence of the gentleman from Massachusetts, I object.

Mr. TARVER. Would the gentleman reserve his objection for a moment?

Mr. JOHNSON of Washington. For a moment; yes.

Mr. TARVER. I notice during the last few minutes quite a number of gentlemen have secured unanimous consent for insertion of matter which certainly is not entitled to any higher degree of consideration, and I am therefore wondering if the gentleman has any reason for making any special selection of my case as the one which merits his attention?

Mr. JOHNSON of Washington. No; it is entirely impersonal, but I will ask the gentleman if he has arranged with the gentleman from Massachusetts with regard to the matter.

Mr. TARVER. I never expect to make arrangements of any kind with the gentleman from Massachusetts, since I understand it is a matter within the judgment of the House, and I do not understand that the gentleman has been selected to determine questions of this character by himself alone.

Mr. JOHNSON of Washington. If the gentleman will withdraw his request for the present, I will undertake to intercede with the gentleman from Massachusetts.

Mr. TARVER. No; I will not withdraw it. I will leave it to the gentleman to object if he sees fit to do so.

Mr. JOHNSON of Washington. I object.

The SPEAKER. Under the order of the House the gentleman from Idaho [Mr. FRENCH] is recognized for 15 minutes.

STATEMENT REGARDING THE LONDON NAVAL CONFERENCE

Mr. FRENCH. Mr. Speaker and gentlemen of the House, I am in such complete sympathy with the very responsible work that has been placed upon the delegation from five of the great world powers now meeting in London in what is known as the London Naval Conference, that I should like to analyze the statement, made by the Secretary of State of the United States who heads the delegation of our country at the conference, that was released upon yesterday.

I ask unanimous consent, Mr. Speaker, that the statement be permitted to run in the RECORD at this point, and that it be followed by a statement issued by the Acting Secretary of State upon yesterday.

Mr. TARVER. Reserving the right to object, Mr. Speaker, and I shall not object, I desire to ask the gentleman if he has conferred with the distinguished gentleman from Massachusetts in reference to whether or not this meets with his approval?

Mr. FRENCH. Oh, no; and I shall quote the gentleman as of a few moments ago, when he said:

I must permit him to make an objection if he so desires.

The SPEAKER. The gentleman from Idaho asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

The statements referred to follow:

DEPARTMENT OF STATE,
February 6, 1930.

FOLLOWING IS THE TEXT OF A STATEMENT BY SECRETARY STIMSON, CHAIRMAN OF THE AMERICAN DELEGATION AT THE LONDON NAVAL CONFERENCE

At the opening of the conference the United States delegation made no statement of its position or the needs of its country beyond the historical fact of the agreement in principle for parity between Great

Britain and the United States. We are now in a position where we can go further. Following discussions among ourselves and negotiations with the British and Japanese which have clarified the limits of possible agreement, our delegation has made suggestions, as follows:

"First, with Great Britain, immediate parity in every class of ship in the navy. The gross tonnage of these two fleets is substantially 1,200,000 tons apiece. The negotiations last summer between President Hoover and Prime Minister MacDonald practically reduced the discussions of parity between them to the comparatively insignificant difference in their respective cruiser-class tonnage of 24,000 tons. We propose to settle this difference as follows: Under our suggestion the actual tonnage difference between the two cruiser fleets will be only 12,000 tons. Of the larger cruisers armed with 8-inch guns Great Britain will have 15 and the United States 18, an advantage to the latter of 30,000 tons.

Of the smaller cruisers armed with 6-inch guns Great Britain will have an advantage of 42,000 tons, but beyond this, in order to insure exact equality of opportunity, the United States makes the suggestion that each country will have the option of duplicating exactly the cruiser fleet of the other. Thus Great Britain would have the option by reducing its number of small cruisers to increase its large cruisers from 15 to 18 so as to give it a total tonnage of 327,000 tons, the exact amount of tonnage which the United States now asks. On the other hand, the United States would have the option, by reducing its large cruisers from 18 to 15, to increase the number of its small cruisers so as to give it a total cruiser tonnage of 339,000 tons, the exact amount of tonnage which the British now ask.

In battleships we suggest by reduction in number on both sides to equalize our two fleets in 1931 instead of in 1942. At present the British battleship fleet contains two more vessels than ours. In destroyers and aircraft carriers we suggest equality in tonnage, and in submarines the lowest tonnage possible.

As is well known, we will gladly agree to a total abolition of submarines if it is possible to obtain the consent of all five powers to such a proposition, and in any event we suggest that the operations of submarines be limited to the same rules of international law as surface craft in operation against merchant ships so that they can not attack without providing for the safety of the passengers and crew.

Second, our suggestion to the Japanese would produce an over-all relation satisfactory to us and, we hope, to them. In conformity with our relations in the past it is not based upon the same ratio in every class of ships.

We have not made proposals to the French and Italians, whose problems are not so directly related to ours that we feel it appropriate at this time to make suggestions to them. A settlement of the Italian and French problem is essential, of course, to the agreement contemplated.

The United States delegates do not feel at liberty to discuss any further details in figures, and it is obvious that the announcement of hypothetical figures by others is calculated only to provoke argument.

Our delegation is in agreement on every item of our program and we are in the most hopeful spirit that in cooperation with the other dele-

gations the primary purposes of the conference; namely, the termination and prevention of competitions in naval armament and such reductions as are found consistent with national security may be accomplished.

This is all that we deem it helpful to state until our suggestions have been considered by the delegations to whom they have been sent.

STATEMENT OF THE ACTING SECRETARY OF STATE

DEPARTMENT OF STATE,

February 6, 1930.

The statement clearly means that the United States delegation has made a proposal which gives tonnage parity by categories between Great Britain and the United States. As to the cruiser category, it is proposed that the United States have the right to build 18 large cruisers (3 more than Great Britain), and in smaller cruisers a lesser tonnage than Great Britain. But if the United States wishes it is to have the option to build the same tonnage in larger cruisers as Great Britain—that is, 15—and in that event can increase its small cruiser building to duplicate the British tonnage.

Mr. FRENCH. Mr. Speaker, the statement that was released by Secretary Stimson, chairman of the American delegation to the London Naval Conference, upon yesterday gives a clear-cut outline of a possible agreement touching naval tonnage as it concerns the United States that might flow from the conference, which I understand from the statement, is concurred in by all members of our delegation. The proposed program has attracted the attention within the United States that is due a program of such significance.

I hail the statement as one calculated to inspire confidence in the conference and the belief that great good will flow therefrom. Were the results of the conference to crystallize, so far as the United States may be concerned, in a program substantially indicated by the statement, definiteness would be written into naval programs, which, after all, as I see it, is the cardinal, the fundamental principle that is at stake.

More than that, adoption of the program would prevent expansion of naval establishments. These two considerations would mark progress of incalculable importance in the consideration of the problem of naval strength of world powers.

I have asked for a few minutes of time in the House, within which I desire to consider the effect of the program upon existing conditions as they involve the Naval Establishment of the United States.

Assembling my data from the data sheet furnished by the Navy Department as of January 15, 1930, and which is used as the basis of information by the delegates to the London conference, I find the naval tonnage of the various craft of the several types, exclusive of auxiliary craft, of the United States is as indicated in the following table:

Data of naval craft other than auxiliary craft of the United States

Vessels	Built		Building		Appropriated for		Authorized		Additional allowed by Washington conference (tons)	Obsolete		Total (tons)
	Number	Tons	Number	Tons	Number	Tons	Number	Tons		Number	Tons	
Battleships.....	18	523,400							1,600			525,000
Aircraft carriers.....	13	76,286			1	13,800			49,914			140,000
Cruisers.....	11	80,500	12	120,000	5	50,000	5	50,000		4	25,501	326,001
Destroyers.....	284	290,304					12			25	16,851	307,155
Submarines.....	108	77,062	2	5,520	3	4,650	1			14	5,246	92,478
Total.....	424	1,047,552	14	125,520	9	68,450	18	50,000	51,514	43	47,598	1,390,634

¹ Effective age under 20 years.
² Over 20 years.

³ Effective age under 16 years.
⁴ 12 authorized 1916 program, omitted.

⁵ Over 16 years.
⁶ Effective age under 13 years.

⁷ Neff experimental.
⁸ Over 13 years.

It will be seen from examination of the table that the effective tonnage of battleships, aircraft carriers, cruisers, destroyers, and submarines of the United States—built, building, and appropriated for, is 1,241,522 tons.

In addition to this, the United States has authorized five cruisers of 50,000 tons, and we have obsolete cruisers in the amount of 25,501 tons, obsolete destroyers in the amount of 16,851 tons, and obsolete submarines with a tonnage of 5,246. Also, the Washington conference permits aircraft carrier tonnage for which the Congress has not authorized construction in the amount of 49,914 tons. Battleship tonnage measured by standard displacement is 1,600 tons under our allowance at the Washington conference.

Turning to the statement of Secretary of State Stimson, a gross tonnage of 1,200,000 tons is suggested for the United States and the same for Great Britain.

In brief, that tonnage is approximately the present effective tonnage of both Great Britain and the United States.

Should the proposal be adhered to in the form presented, it would accomplish the following:

First. It would write definiteness into naval construction programs.

Second. It would reduce the battleship tonnage by subtracting three battleships with a possible tonnage of 75,000 to 90,000 tons.

Third. It would fix the 10,000-ton cruiser strength of the United States at 180,000 tons, with 18 cruisers carrying 8-inch guns and cruisers of smaller tonnage sufficient to make a grand total of 327,000 tons.

Fourth. It would fix the 10,000-ton cruiser strength of Great Britain at 150,000 tons, with 15 cruisers carrying 8-inch guns

and an additional tonnage of smaller cruisers that would make a grand total of 339,000 tons.

Upon this basis the United States would have the advantage of 30,000 tons over Great Britain in larger cruisers, while Great Britain would have the advantage of 42,000 tons in cruisers of smaller type. It provides, however, that the United States might adopt the exact tonnage program of Great Britain in large and small cruisers, and that Great Britain might adopt the exact cruiser program of the United States.

Fifth. It proposes a total abolition of submarines under certain conditions and that in any event the operations of submarines be limited to the same rules of international law as surface craft in operation against merchant ships so that they can not attack without providing for the safety of passengers and crew.

Under the program proposed by the statement, assuming that submarines were not abolished, it would leave the United States with approximately the present tonnage that she now has.

The saving in tonnage that would be subtracted on account of withdrawal of battleships, aggregating from 75,000 to 90,000 tons, would need to be allocated to aircraft carrier and cruiser tonnage. Destroyer and submarine tonnage would stabilize at approximately the tonnage that now exists.

In my judgment the proposal, if agreed to, would prevent competition in the different types of naval craft. I fear that we could not expect immediate reduction of the annual naval costs, but the program would check the tremendous expanse in naval burdens that in the absence of an agreement are immediately ahead.

Were the results of the conference to be attained along the line of the plan suggested by Secretary of State Stimson, I should regard the accomplishment as one of epochal significance in its bearing upon relationships of world powers.

The American delegation have the confidence of the American people. They are asked to bear responsibility under trying circumstances. They are dealing with the representatives of nations which have problems peculiar to their individual well-being, and the wishes and aspirations of the United States must blend into the necessities of the other powers. The United States has no selfish purpose to be attained and no good that can flow from the London conference will benefit the United States that will not benefit in like degree every nation whose delegates are assembled about the conference table and, indeed, the peoples of all lands.

I am in accord with the statement made by President Hoover in his Armistice Day address, of November 11, 1929, in which the President said:

We will reduce our naval strength in proportion to any other. Having said that it only remains for the others to say how low they will go. It can not be too low for us.

I could hope, upon further deliberation, all parties to the London conference could agree to lower tonnage in the several categories in the interest of reduction in naval budgets. If they can not, then I could hope that the proposition outlined by Colonel Stimson might be realized. [Applause.]

Mr. MILLER. Will the gentleman yield? What does the gentleman say about a larger number of cruisers for Great Britain but with smaller tonnage?

Mr. FRENCH. Under the proposed plan Great Britain would have fifteen 10,000-ton cruisers and tonnage in smaller cruisers that would permit her to have a grand total of 339,000 tons. The United States would have eighteen 10,000-ton cruisers and less tonnage of the small cruiser type, making a total of 327,000 tons.

Mr. KETCHAM. Will the gentleman yield?

Mr. FRENCH. I yield.

Mr. KETCHAM. The gentleman has referred to the comparative tonnage in the cruiser class as between Great Britain and the United States, with a somewhat smaller type for Great Britain. Can the gentleman indicate the comparative number of cruisers?

Mr. FRENCH. The statement of Mr. Stimson does not undertake to do that, but there is a difference as regards the cruisers of the 10,000-ton class. Of the 10,000-ton class it was proposed that 18 be the number given to the United States and 15 to Great Britain. Under the plan the United States would have the privilege of expanding in the smaller cruiser type to 327,000 tons and Great Britain to 339,000 tons.

It is also proposed that either may go to the program of the other if it so desires.

Mr. GARNER. Will the gentleman yield?

Mr. FRENCH. I yield.

Mr. GARNER. Is the gentleman's statement this afternoon in the nature of an explanation of the statement appearing in the daily press from a higher source?

Mr. FRENCH. Does the gentleman mean in criticism of the statement of the delegates at London?

Mr. GARNER. In discussing their action.

Mr. FRENCH. I must confess that I was impressed by criticisms which I thought ought not to have been made.

Mr. PATTERSON. Will the gentleman yield?

Mr. FRENCH. I yield.

Mr. PATTERSON. If I understood the gentleman right, the result so far has not been any appreciable reduction of armament but only a stabilization.

Mr. FRENCH. Well, that would be worth while.

Mr. PATTERSON. I notice that the reports from the press seem to indicate that probably our building program for the next two years would expand if this policy was carried out.

Mr. FRENCH. I think that is not correct. It would mean subtracting 75,000 or 90,000 tons from battleship tonnage, canceling some 50,000 tons heretofore authorized for 10,000-ton cruisers, and expansion of the smaller cruiser tonnage.

Mr. PATTERSON. I do not want to take the gentleman's time, but I would like the gentleman to answer this: Will the result accomplish a reduction in naval expenditures for the next year?

Mr. FRENCH. I think if we look ahead for a period of several years it will.

Mr. PATTERSON. I am talking about the next Budget.

Mr. FRENCH. I think it would prevent the Budget being as large as it would without the program.

Mr. PATTERSON. I noticed the speech of the gentleman the other day, and that the gentleman stands up for reduction.

Mr. FRENCH. I do; and I hope as the result of further deliberation we shall be able to reduce from the program that has been tentatively proposed. But it takes more than one nation to make a bargain. If the program could be worked out on the basis of the Stimson statement it would be an accomplishment of nothing less than tremendous significance from the standpoint of world relationships and with respect to naval budgets.

Mr. PATTERSON. Any checking would be an accomplishment.

Mr. LAGUARDIA. Mr. Chairman, will the gentleman yield?

Mr. FRENCH. Yes.

Mr. LAGUARDIA. Lest there be confusion created by reason of the disparity in gross tonnage of these smaller cruisers, I think it would be well for the gentleman to refer to the page numbers of the Record in his previous speech, and in the discussion on the bill for 15 additional cruisers, where comparative tables of the ships were inserted.

Mr. FRENCH. The table that I am using now I have briefed from the table I used a few weeks ago. I am giving the same figures.

Mr. BANKHEAD. Mr. Chairman, the gentleman from Idaho confesses, in answer to the inquiry of the gentleman from Texas [Mr. GARNER], that his present statement is largely inspired by reason of developments in the press with respect to the attitude possibly of a United States Senator. I ask the gentleman if he does not think it rather unfortunate that before any real progress has been made toward any permanent agreement at the London conference we should inject these differences of opinion into the controversy? Does not the gentleman think that the part of wisdom would suggest, regardless of any difference of opinion on the matter, that we should wait until at least some apparent definite program has been reached by our conferees?

Mr. FRENCH. Oh, I think that is the program desirable to follow.

LEAVE TO ADDRESS THE HOUSE

Mr. BEEDY. Mr. Speaker, I ask unanimous consent that on Saturday, a week from to-day, after the reading of the Journal and the disposition of business on the Speaker's desk, I be permitted to address the House for one hour on the subject of prohibition.

The SPEAKER. The gentleman from Maine asks unanimous consent that on next Saturday, after the disposition of matters on the Speaker's desk, he may be permitted to address the House for one hour on the subject of prohibition.

Is there objection?

Mr. LAGUARDIA. Mr. Speaker, reserving the right to object, and I shall not object, I ask unanimous consent to follow the gentleman from Maine for 15 minutes. I think that is all it will take to answer the gentleman from Maine.

The SPEAKER. Is there objection to the request of the gentleman from Maine?

There was no objection.

The SPEAKER. The gentleman from New York asks unanimous consent to supplement the remarks of the gentleman from Maine for 15 minutes. Is there objection?

Mr. BANKHEAD. Mr. Speaker, reserving the right to object, did I understand the gentleman from New York to state that he thinks that in 15 minutes he can answer all of the arguments of the gentleman from Maine who is to take an hour?

Mr. LAGUARDIA. Oh yes; and I may yield back some of my time. [Laughter.]

Mr. BLACK. Does the gentleman from New York know whether the gentleman from Maine is going to make a wet or a dry speech? We could not tell where he stood from the last one.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

CALENDAR WEDNESDAY BUSINESS

Mr. TILSON. Mr. Speaker, I ask unanimous consent that Calendar Wednesday business in order on Wednesday next be dispensed with, and that on that day bills unobjected to on the Private Calendar may be considered in the House as in Committee of the Whole.

The SPEAKER. The gentleman from Connecticut asks unanimous consent that business in order on Wednesday next be dispensed with, and that it may be in order to consider in the House as in Committee of the Whole bills unobjected to on the Private Calendar. Is there objection?

Mr. McFADDEN. Mr. Speaker, that means the Banking and Currency Committee, which has the call on Wednesday next, will have the two following Wednesdays?

Mr. TILSON. Yes; the gentleman is correct. I have understood from the gentleman that the proposed change would be satisfactory to him, and that his committee may have other bills reported out by that time.

Mr. GARNER. The Banking and Currency Committee has the call on the next Calendar Wednesday?

Mr. McFADDEN. Yes.

The SPEAKER. Is there objection?

There was no objection.

ADJOURNMENT

Mr. WILLIAMSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 10 minutes p. m.) the House adjourned until Monday, February 10, 1930, at 12 o'clock noon.

COMMITTEE HEARINGS

Mr. TILSON submitted the following tentative list of committee hearings scheduled for Monday, February 10, 1930, as reported to the floor leader by clerks of the several committees:

COMMITTEE ON APPROPRIATIONS

(10.30 a. m. and 2 p. m.)

Navy Department appropriation bill.

(2 p. m.)

District of Columbia appropriation bill.

COMMITTEE ON WORLD WAR VETERANS' LEGISLATION

(10 a. m.)

To amend the World War veterans' act, 1924, as amended (H. R. 8133).

COMMITTEE ON AGRICULTURE

(10 a. m.)

Authorizing appropriations to be expended under the provisions of section 7 of the act of March 1, 1911, entitled "An act to enable any State to cooperate with any other State or States, or with the United States, for the protection of the watersheds of navigable streams, and to appoint a commission for the acquisition of lands for the purpose of conserving the navigability of navigable rivers," as amended (H. R. 5694).

COMMITTEE ON FLOOD CONTROL

(10.30 a. m.)

To consider amendments to the Mississippi flood control act, 1928.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

(10 a. m.)

Authorizing the States of Texas and Oklahoma to construct, maintain, and operate a free highway bridge across the Red River at or near United States Highway No. 75 between the towns of Denison, Tex., and Durant, Okla. (H. R. 7967).

Authorizing the States of Texas and Oklahoma to construct, maintain, and operate a free highway bridge across the Red River at or near Ringgold, Tex., and Terral, Okla. (H. R. 7008).

Authorizing the States of Texas and Oklahoma to construct, maintain, and operate a free highway bridge across the Red

River at or near United States Highway No. 77 between the towns of Gainesville, Tex., and Marietta, Okla. (H. R. 7968).

COMMITTEE ON THE DISTRICT OF COLUMBIA—SUBCOMMITTEE ON INSURANCE AND BANKING

(1 p. m., room 452)

To provide a code of insurance law for the District of Columbia (excepting marine insurance, as now provided for by the act of March 4, 1922, and fraternal and benevolent insurance associations or orders, as provided for by the acts of March 3, 1897; June 30, 1902; May 29, 1928; December 12, 1928; and December 20, 1928) (H. R. 3941).

COMMITTEE ON IMMIGRATION AND NATURALIZATION

(10.15 a. m.)

To consider bills relating to persons living on the Western Hemisphere who wish to come to the United States.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. WHITE: Committee on the Merchant Marine and Fisheries. H. R. 7998. A bill to amend subsection (d) of section 11 of the merchant marine act of June 5, 1920, as amended by section 301 of the merchant marine act of May 22, 1928; with amendment (Rept. No. 636). Referred to the Committee of the Whole House on the state of the Union.

Mr. WHITE: Committee on the Merchant Marine and Fisheries. H. R. 8361. A bill to further develop an American merchant marine, to assure its permanence in the transportation of the foreign trade of the United States, and for other purposes; with amendment (Rept. No. 637). Referred to the Committee of the Whole House on the state of the Union.

Mr. McFADDEN: Committee on Banking and Currency. H. J. Res. 227. A joint resolution authorizing the erection of a Federal Reserve branch building in the city of Pittsburgh, Pa.; without amendment (Rept. No. 638). Referred to the House Calendar.

Mr. McFADDEN: Committee on Banking and Currency. S. 544. An act authorizing receivers of national banking associations to compromise shareholders' liability; without amendment (Rept. No. 639). Referred to the House Calendar.

Mr. ROBINSON: Committee on Interstate and Foreign Commerce. S. 2763. An act authorizing the cities of Omaha, Nebr., and Council Bluffs, Iowa, and the counties of Douglas, Nebr., and Pottawattamie, Iowa, to construct, maintain, and operate one or more, but not to exceed three, toll or free bridges across the Missouri River; without amendment (Rept. No. 640). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 8970. A bill granting the consent of Congress to the State of Illinois to construct a bridge across the Little Calumet River on Ashland Avenue near One hundred and thirty-fourth Street, in Cook County, State of Illinois; with amendment (Rept. No. 641). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 8971. A bill granting the consent of Congress to the State of Illinois to widen, maintain, and operate the existing bridge across the Little Calumet River on Halsted Street near One hundred and forty-fifth Street, in Cook County, State of Illinois; with amendment (Rept. No. 642). Referred to the House Calendar.

Mr. DENISON: Committee on Interstate and Foreign Commerce. H. R. 8972. A bill granting the consent of Congress to the State of Illinois to construct a bridge across the Little Calumet River on Ashland Avenue near One hundred and fortieth Street, in Cook County, State of Illinois; with amendment (Rept. No. 643). Referred to the House Calendar.

Mr. PARKER: Committee on Interstate and Foreign Commerce. H. R. 9038. A bill granting the consent of Congress to the State of New York to reconstruct, maintain, and operate a free highway bridge across the west branch of the Delaware River at or near Beerston, N. Y.; with amendment (Rept. No. 644). Referred to the House Calendar.

Mr. BECK: Committee on Interstate and Foreign Commerce. H. R. 9141. A bill to authorize the State Roads Commission of Maryland to construct a highway bridge across the Nanticoke River at Vienna in Dorchester County to a point in Wicomico County; with amendment (Rept. No. 645). Referred to the House Calendar.

Mr. HUDDLESTON: Committee on Interstate and Foreign Commerce. H. R. 9180. A bill granting the consent of Congress to the North Carolina State Highway Commission to construct, maintain, and operate a free highway bridge across the Roanoke River at or near Weldon, N. C.; with amendment (Rept. No. 646). Referred to the House Calendar.

Mr. MILLIGAN: Committee on Interstate and Foreign Commerce. H. R. 9299. A bill to extend the times for commencing and completing the construction of a bridge across the Missouri River at or near Decatur, Nebr.; without amendment (Rept. No. 647). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of Rule XIII,

Mr. JOHNSON of Nebraska: Committee on Claims. H. R. 458. A bill for the relief of Catherine Panturis; with amendment (Rept. No. 633). Referred to the Committee of the Whole House.

Mr. IRWIN: Committee on Claims. H. R. 6718. A bill for the relief of Michael J. Bauman; without amendment (Rept. No. 634). Referred to the Committee of the Whole House.

Mr. VESTAL: Committee on Patents. S. 2657. An act granting a renewal of patent No. 21053 relating to the badge of the Daughters of the American Revolution; without amendment (Rept. No. 635). Referred to the Committee of the Whole House.

CHANGE OF REFERENCE

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 5242) granting a pension to Newton H. Latham; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 8185) granting an increase of pension to Nellie S. Kitchens; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDRESEN: A bill (H. R. 9671) to extend the times for commencing and completing the construction of a free highway bridge across the St. Croix River at or near Stillwater, Minn.; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 9672) to extend the times for commencing and completing the construction of a free highway bridge across the Mississippi River at or near Hastings, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. JOHNSON of Washington: A bill (H. R. 9673) to authorize the refund of visa fees in certain cases; to the Committee on Immigration and Naturalization.

Also, a bill (H. R. 9674) to amend an act to parole United States prisoners, and for other purposes, approved June 25, 1910; to the Committee on the Judiciary.

By Mr. MANLOVE: A bill (H. R. 9675) to amend the World War adjusted compensation act; to the Committee on Ways and Means.

By Mr. BRITTEN: A bill (H. R. 9676) to authorize the Secretary of the Navy to proceed with certain public works at the United States Naval Hospital, Washington, D. C.; to the Committee on Naval Affairs.

By Mr. McCLINTIC of Oklahoma: A bill (H. R. 9677) authorizing the Secretary of Agriculture to accept for the Government a donation of 160 acres of land situated in Beckham, Custer, Harmon, Greer, or Roger Mills Counties, Okla., for the operation and maintenance by the Government of an agricultural demonstration farm, and for other purposes; to the Committee on Agriculture.

By Mr. PATMAN: A bill (H. R. 9678) to extend the franking privilege to commissioned officers of the National Guard of the States; to the Committee on the Post Office and Post Roads.

By Mr. LEHLBACH: A bill (H. R. 9679) to amend the act entitled "An act to amend the act entitled 'An act for the retirement of employees in the classified civil service, and for other purposes,' approved May 22, 1920, and acts in amendment thereof," approved July 3, 1926, and for other purposes; to the Committee on the Civil Service.

By Mr. COLLINS: A bill (H. R. 9680) to amend the act entitled "An act granting certain lands to the city of Biloxi, in Harrison County, Miss., for park and cemetery purposes," approved April 28, 1906; to the Committee on the Public Lands.

By Mr. GREEN: A bill (H. R. 9681) authorizing the Secretary of Commerce to dispose of a portion of the Amelia Island Lighthouse Reservation, Fla.; to the Committee on Interstate and Foreign Commerce.

By Mr. STEVENSON: A bill (H. R. 9682) to authorize the substitution of insurance for stockholders' double liability in national banks; to the Committee on Banking and Currency.

By Mr. BRAND of Georgia: A bill (H. R. 9683) to amend section 22 of the Federal reserve act; to the Committee on Banking and Currency.

By Mr. O'CONNOR of Oklahoma: A bill (H. R. 9684) to amend section 15a of the interstate commerce act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. TAYLOR of Colorado: A bill (H. R. 9685) to add certain lands to the Gunnison National Forest, Colo.; to the Committee on the Public Lands.

Also, a bill (H. R. 9686) for the construction and equipping of a hospital for the southern Ute Indians at Ignacio, Colo.; to the Committee on Indian Affairs.

By Mr. SWICK: A bill (H. R. 9687) granting pensions to certain soldiers, sailors, and marines of the World War; to certain widows, minor children, and helpless children of such soldiers, sailors, and marines, and for other purposes; to the Committee on Pensions.

By Mr. CELLER: Joint resolution (H. J. Res. 246) proposing an amendment to the eighteenth amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. WOOD: Joint resolution (H. J. Res. 247) making an appropriation to carry out the provisions of the public resolution entitled "Joint resolution providing for a study and review of the policies of the United States in Haiti," approved February 6, 1930; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 9688) granting an increase of pension to Charles F. Harrison; to the Committee on Pensions.

By Mr. BOWMAN: A bill (H. R. 9689) granting a pension to Ella Elizabeth McVicker; to the Committee on Invalid Pensions.

By Mr. CANFIELD: A bill (H. R. 9690) granting a pension to Thomas Brown; to the Committee on Invalid Pensions.

By Mr. CLANCY: A bill (H. R. 9691) for the relief of Harold A. Awsumb; to the Committee on Claims.

By Mr. DUNBAR: A bill (H. R. 9692) granting a pension to Ada Shepard; to the Committee on Invalid Pensions.

By Mr. FULMER: A bill (H. R. 9693) granting a pension to Perry M. Martin; to the Committee on Pensions.

By Mr. GREENWOOD: A bill (H. R. 9694) granting a pension to Rosie C. Ledgerwood; to the Committee on Invalid Pensions.

By Mrs. LANGLEY: A bill (H. R. 9695) granting a pension to Robert McCarty; to the Committee on Pensions.

Also, a bill (H. R. 9696) for the relief of Nettie M. Spitzer; to the Committee on Claims.

By Mr. LOZIER: A bill (H. R. 9697) granting an increase of pension to Maggie Cooper; to the Committee on Invalid Pensions.

By Mr. McMILLAN: A bill (H. R. 9698) to authorize Capt. W. H. Allen, United States Navy, to accept the decoration of the Order of the Bust of Bolivar from the Government of Venezuela; to the Committee on Naval Affairs.

By Mr. McSWAIN: A bill (H. R. 9699) granting an increase of pension to Albert S. Turner; to the Committee on Pensions.

By Mr. MORGAN: A bill (H. R. 9700) granting an increase of pension to Catherine Jones; to the Committee on Invalid Pensions.

By Mr. PORTER: A bill (H. R. 9701) authorizing the payment of an indemnity to the French Government on account of injuries received by Henry Borden, a French citizen, when he was assaulted at his place of business at Port au Prince, Haiti, by United States marines; to the Committee on Foreign Affairs.

Also, a bill (H. R. 9702) authorizing the payment of an indemnity to the British Government on account of losses sustained by H. W. Bennett, a British subject, in connection with the rescue of survivors of the U. S. S. *Cherokee*; to the Committee on Foreign Affairs.

By Mr. REID of Illinois: A bill (H. R. 9703) granting a pension to Lillie F. Eden; to the Committee on Invalid Pensions.

By Mr. STALKER: A bill (H. R. 9704) granting an increase of pension to Rose A. Sease; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9705) granting an increase of pension to Alice R. Beach; to the Committee on Invalid Pensions.

Also, a bill (H. R. 9706) granting an increase of pension to Lizzie Olive Stearns; to the Committee on Invalid Pensions.

By Mr. SUTHERLAND: A bill (H. R. 9707) to authorize the incorporation of town of Ketchikan, Alaska, to issue bonds in any sum not to exceed the sum of \$1,000,000 for the purpose of acquiring public-utility properties, and for other purposes; to the Committee on Territories.

By Mr. SWICK: A bill (H. R. 9708) granting an increase of pension to Martha Wilson; to the Committee on Invalid Pensions.

By Mr. SWING: A bill (H. R. 9709) for the relief of George Walters; to the Committee on Military Affairs.

Also, a bill (H. R. 9710) granting a pension to Harry Ray Bennett; to the Committee on Pensions.

By Mr. TARVER: A bill (H. R. 9711) granting an increase of pension to Sarah E. Young; to the Committee on Invalid Pensions.

By Mr. BRITTEN: Resolution (H. Res. 148) to pay Daisy Byron, widow of Frank A. Byron, six months' compensation and an additional \$250 to defray funeral expenses and last illness of said Frank A. Byron; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4283. By Mr. BACON: Petition of residents of Nassau County, Port of Queens, Long Island, N. Y., in favor of increased pensions for Spanish-American War veterans and widows of veterans; to the Committee on Pensions.

4284. Also, petition of residents of Lindenhurst, Long Island, N. Y., in opposition to the enactment of proposed legislation creating a national department of education; to the Committee on Education.

4285. Also, petition of residents of Babylon, Long Island, N. Y., in favor of the enactment of legislation granting an increase of pensions to Spanish-American War veterans and widows of veterans; to the Committee on Pensions.

4286. Also, petition of residents of Islip, Long Island, N. Y., in favor of the enactment of legislation granting an increase of pensions to Spanish-American War veterans and widows of veterans; to the Committee on Pensions.

4287. By Mr. BROWNE: Resolution of county board of Marathon County, Wis., against chain banking; to the Committee on Banking and Currency.

4288. Also, petition of citizens of Marathon County, Wis., favoring House bill 2562, providing for increased pensions for Spanish-American War veterans; to the Committee on Pensions.

4289. By Mr. BRUMM: Petition of George R. Kalbach and 86 other citizens of Pottsville, Schuylkill County, Pa., urging immediate action on the pending bill to provide an increase of pension for Civil War veterans; to the Committee on Pensions.

4290. By Mr. CAMPBELL of Iowa: Petition of 76 citizens of Cherokee County, Iowa, asking for the speedy consideration and passage of House bill 2562, providing for increased rates of pension to veterans of the Spanish-American War; to the Committee on Pensions.

4291. By Mr. CHINDBLOM: Petition of E. L. Scully and 72 other citizens of Deerfield, Ill., and vicinity, indorsing House bill 2562 and Senate bill 476 providing increased pensions for Spanish-American War veterans; to the Committee on Pensions.

4292. By Mr. COOKE: Petition of 1,000 citizens of Buffalo, favoring passage of Senate bill 476 and House bill 2562 providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

4293. Also, petition of citizens of Alden, N. Y., favoring the passage of Senate bill 476 and House bill 2562 providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

4294. Also, petition of R. P. Hughes Camp, favoring the passage of Senate bill 476 and House bill 2562 providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

4295. Also, petition of citizens of Lancaster, N. Y., favoring the passage of Senate bill 476 and House bill 2562 providing for the increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

4296. Also, petition of Buckley O'Neil Camp, No. 15, favoring passage of Senate bill 476 and House bill 2562 providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

4297. By Mr. CONNERY: Petition of South Lawrence Merchants' Association asking for protection in tariff bill for industries of Lawrence and New England; to the Committee on Ways and Means.

4298. Also, petition of Italian Citizens' Club, of Lawrence, Mass., favoring protection in the tariff bill for the industries of Lawrence, Mass.; to the Committee on Ways and Means.

4299. By Mr. CRAMTON: Memorial of W. P. O'Brien, secretary, Lakeview Hills Country Club, Lexington, Mich., urging amendment of the revenue law to repeal the present tax on

dues and fees paid to athletic and sporting clubs; to the Committee on Ways and Means.

4300. By Mr. DALLINGER: Petition of certain citizens of Woburn, Mass., praying for the enactment of House bill 2562; to the Committee on Pensions.

4301. By Mr. DOWELL: Petition of citizens of Marion County, Iowa, relative to pension legislation; to the Committee on Pensions.

4302. By Mr. ELLIS: Petition transmitted by Frank Smith and indorsed by Gertrude Butler and 59 others seeking consideration and passage of Senate bill 476 and House bill 2562 providing for increased pension rates to veterans of the Spanish-American War; to the Committee on Pensions.

4303. By Mr. ESLICK: Petition of citizens of fourth civil district of Lewis County, Tenn., in behalf of the Spanish-American War veterans; to the Committee on Pensions.

4304. By Mr. HANCOCK: Petition signed by Joseph P. Haspel and other residents of Syracuse, N. Y., favoring the passage of House bill 2562; to the Committee on Pensions.

4305. By Mr. HESS: Petition of various citizens of Cincinnati, Ohio, urging the early passage of House bill 2562; to the Committee on Pensions.

4306. By Mr. HOFFMAN: Petition of 15 residents of Ocean County, N. J., asking support of legislation for Spanish War veterans; to the Committee on Pensions.

4307. Also, petition of 43 residents of Middlesex County, N. J., asking support of legislation for Spanish War veterans; to the Committee on Pensions.

4308. Also, petition of residents of South Plainfield, N. J., requesting support of legislation granting additional relief for Spanish War veterans; to the Committee on Pensions.

4309. By Mr. HUDSON: Petition of citizens of Flint, Mich., urging favorable action on House bill 7884 having to do with vivisection; to the Committee on the District of Columbia.

4310. By Mr. HUDSPETH: Petition of citizens of San Angelo, Tex., urging favorable action on Senate bill 476 and House bill 2562 providing for increased rates of pension to Spanish-American War veterans; to the Committee on Pensions.

4311. Also, petition of citizens of El Paso, Tex., urging favorable action on Senate bill 476 and House bill 2562 providing for increased rates of pension to Spanish-American War veterans; to the Committee on Pensions.

4312. By Mr. HOOPER: Petition of Arthur Keyes and 73 other residents of Calhoun County, Mich., in favor of increase of pension for Spanish War veterans; to the Committee on Pensions.

4313. By Mr. JOHNSON of Texas: Petition of Grisham Hunter Corporation, of Abilene, Tex., favoring a tariff on petroleum oil; to the Committee on Ways and Means.

4314. Also, petition of Blake Smith; J. K. Hughes; C. W. Kennon Oil Co.; E. L. Smith Oil Co. (Inc.); J. K. Hughes Oil Co.; Smillock Petroleum Co.; Levalma Petroleum Co.; Neches Petroleum Co.; Why Not Oil Co.; Neversuch Oil Co.; Eighteen Petroleum Co.; Forty-four Oil Co.; Jack Womack, president Prendergast Smith National Bank; Black Smith, president City National Bank; John H. Sweat, president Farmers' State Bank; W. T. Church, attorney; B. S. Smith, banker; T. F. Morrow Oil Co.; E. L. Smith; W. K. Boyd, publisher; and W. A. Reiter, president Mexia Development Co., all of Mexia, Tex., favoring a tariff on petroleum oil; to the Committee on Ways and Means.

4315. Also, petition of Witherspoon Oil Co., Witherspoon Refining Co., and C. L. Witherspoon, of San Antonio, Tex., favoring tariff on petroleum oil; to the Committee on Ways and Means.

4316. By Mr. JOHNSON of Washington: Petition of citizens of Grays Harbor County, Wash., appealing for passage of increased pensions for Spanish War veterans; to the Committee on Pensions.

4317. Also, petition of citizens of Centralia and Tacoma, Wash., appealing for passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

4318. Also, petition of residents of Grays Harbor County, Wash., appealing for the passage of legislation to increase pensions; to the Committee on Pensions.

4319. By Mr. KELLY: Petition of citizens of Pittsburgh, Pa., asking for increase of pensions for Spanish-American War veterans and widows of veterans; to the Committee on Pensions.

4320. By Mr. JOHNSON of Washington: Petition of citizens of Tacoma, Wash., appealing for passage of Senate bill 476 and House bill 2562; to the Committee on Pensions.

4321. By Mr. KENDALL of Kentucky: Petition of the citizens of Jackson, Breathitt County, Ky., in which they urge that immediate steps be taken to bring to a vote Senate bill 476 and House bill 2562, and they respectfully request favorable

action on the above-mentioned bills; to the Committee on Pensions.

4322. By Mr. KVALE: Petition of United Spanish War Veterans, of Minnesota, urging the establishment of a national cemetery on the Birch Coulee battle field; to the Committee on Military Affairs.

4323. Also, petition of the United Spanish War Veterans, of Minnesota, requesting employment of disabled veterans as census enumerators; to the Committee on the Census.

4324. Also, petition of the United Spanish War Veterans, of Minnesota, urging the enactment of an amendment to sections 202 and 210 of the World War veterans' act; to the Committee on World War Veterans' Legislation.

4325. Also, petition of the United Spanish War Veterans, of Minnesota, urging free medical attention for all honorably discharged veterans; to the Committee on World War Veterans' Legislation.

4326. Also, petition of the United Spanish War Veterans, of Minnesota, requesting passage of the Robinson bill; to the Committee on Invalid Pensions.

4327. Also, petition of the United Spanish War Veterans of Minnesota urging the reintroduction and passage of the Knutson bill, H. R. 14676; to the Committee on Pensions.

4328. Also, petition of W. J. Ruddy and other residents of Willmar, Minn., urging enactment of Senate bill 476; to the Committee on Pensions.

4329. Also, petition of members of the Northwestern Lumbermen's Association opposing any tariffs on any and all commodities which will increase the cost of products purchased by the farmers; to the Committee on Ways and Means.

4330. By Mr. LANKFORD of Georgia: Petition of sundry citizens of Waycross, Ga., urging the passage of House bill 2562 for the relief of Spanish-American War veterans and widows of veterans; to the Committee on Pensions.

4331. By Mr. MCCLINTOCK of Ohio: Petition of 31 citizens of Stark County, Ohio, favoring increased pensions for Spanish War veterans; to the Committee on Pensions.

4332. By Mr. MOORE of Kentucky: Petition of citizens of Edmonston County, Ky., urging passage of House bill 2562 providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish-American War; to the Committee on Pensions.

4333. By Mr. NEWHALL: Petition of G. W. Harris and sundry other citizens of Newport, Campbell County, Ky., urging the speedy consideration and passage of House bill 2562 and Senate bill 476 providing for increased rates of pension to the men who served in the armed forces of the United States during the Spanish War period; to the Committee on Pensions.

4334. Also, petition of George Turner, of Newport, Ky., urging that immediate steps be taken to bring to a vote a Civil War pension bill carrying the rates proposed by the National Tribune; to the Committee on Invalid Pensions.

4335. By Mr. O'CONNELL of Rhode Island: Resolution of Sawtelle Home Post, No. 322, National Military Home, Calif., and petition signed by 1,464 honorably discharged service men of various wars, all members and employees of the Pacific branch of the National Military Home, West Los Angeles, Calif., urging passage of House bill 7389, presented by Congressman O'CONNELL of Rhode Island, providing for payment of adjusted-service certificates at their face value on and after March 1, 1930; to the Committee on Ways and Means.

4336. By Mr. PALMER: Petition of H. C. Dudley and numerous citizens of Springfield, Mo., urging the passage of more liberal pensions laws for the Spanish War veterans; to the Committee on Pensions.

4337. By Mr. PATMAN: Petition of A. W. Stevens and 35 other citizens of Bowie County, Tex., in support of House bill 2562 providing for an increase in pension of Spanish-American War veterans; to the Committee on Pensions.

4338. Also, petition of P. W. Stringer of Mount Vernon, Tex., and 62 others, in support of Senate bill 476 and House bill 2562 providing for an increase in pension of Spanish-American War veterans; to the Committee on Pensions.

4339. By Mr. STALKER: Petition of citizens of Hornell, N. Y., urging Congress for the passage of Senate bill 476 and House bill 2562 granting increase in pension for the veterans of the Spanish-American War; to the Committee on Pensions.

4340. By Mr. SWING: Petition of John B. Ortego and 33 citizens of Pala, Calif., urging the adoption of Senate bill 476 and House bill 2562; to the Committee on Pensions.

4341. By Mr. THOMPSON: Petition of 26 citizens of Lyons, Fulton County, Ohio, in favor of House bill 2562, providing increased rates of pension to Spanish War veterans; to the Committee on Pensions.

4342. By Mr. WATSON: Resolution from the congregation Ahvath Achim, of Bristol, Pa., opposing any change in the pres-

ent calendar which would endanger the fixity of the Sabbath; to the Committee on Foreign Affairs.

4343. By Mr. WHITLEY: Petition of citizens of Rochester, N. Y., urging passage of legislation to increase pensions for Spanish-American War veterans; to the Committee on Pensions.

4344. By Mr. WINGO: Petition of citizens of Magazine and Blue Mountain, Ark., in favor of increased pensions for veterans of the Spanish-American War; to the Committee on Pensions.

4345. By Mr. YON: Petition of Anthony Altman, Thomas Maloney, W. A. Brown, J. W. Clemmons, W. F. Turner, D. H. Houston, and others, of Millville, Bay County, Fla., urging an increase of pensions to Spanish-American War veterans; to the Committee on Pensions.

4346. Also, petition of J. Whiting Hyer, J. W. Choron, jr., Phil Jones, C. M. Bell, W. H. Riera, F. A. Bozhick, H. F. Hansen, and others, of Pensacola, Escambia County, Fla., urging an increase of pensions to Spanish-American War veterans; to the Committee on Pensions.

4347. Also, petition of C. J. Williams, E. Green, L. Fisher, John S. Wilson, W. D. Everitt, F. D. Nuhon, and others, of Pensacola, Escambia County, Fla., urging an increase of pensions to Spanish-American War veterans; to the Committee on Pensions.

SENATE

MONDAY, February 10, 1930

(Legislative day of Monday, January 6, 1930)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

Mr. FESS. Mr. President, I suggest the absence of a quorum. The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Fletcher	Keyes	Smith
Ashurst	George	La Follette	Smoot
Barkley	Gillett	McCulloch	Steak
Bingham	Glass	McKellar	Steiger
Black	Glenn	McMaster	Stephens
Blaine	Goff	McNary	Sullivan
Bleasie	Goldsborough	Metcalf	Swanson
Borah	Gould	Norbeck	Thomas, Idaho
Bratton	Greene	Norris	Thomas, Okla.
Brookhart	Grundy	Nye	Trammell
Broussard	Hale	Oddie	Tydings
Capper	Harris	Overman	Vandenberg
Connally	Harrison	Patterson	Walcott
Copeland	Hatfield	Phipps	Walsh, Mass.
Couzens	Hawes	Pine	Walsh, Mont.
Cutting	Hayden	Ransdell	Waterman
Dale	Hebert	Robinson, Ind.	Watson
Deneen	Howell	Robinson, Ky.	Wheeler
Dill	Johnson	Sheppard	
Fess	Jones	Shortridge	
	Kendrick	Simmons	

Mr. FESS. I desire to announce that the senior Senator from Delaware [Mr. HASTINGS] is absent from the Senate on account of the death of Mrs. Hastings.

I also desire to announce that the junior Senator from Delaware [Mr. TOWNSEND] is absent attending the funeral of the late Mrs. Hastings.

Mr. GOLDSBOROUGH. I wish to announce that the senior Senator from New Jersey [Mr. KEAN] is unavoidably absent. I ask that this announcement may stand for the day.

Mr. SHEPPARD. I desire to announce that the junior Senator from Utah [Mr. KING] is necessarily detained from the Senate by illness. I will let this announcement stand for the day.

I also wish to announce that the senior Senator from Nevada [Mr. PITTMAN] is necessarily absent from the Senate attending a conference in the West relating to the diversion of the waters of the Colorado River. I wish this announcement to stand for the day.

I also desire to announce the necessary absence of the Senator from Arkansas [Mr. ROBINSON] and the Senator from Pennsylvania [Mr. REED], who are delegates from the United States to the Naval Arms Conference meeting in London, England. Let this announcement stand for the day.

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

THE JOURNAL

Mr. McNARY. I ask unanimous consent for the approval of the Journal for the calendar days of Monday, February 3, to and including Saturday, February 8, 1930.

The VICE PRESIDENT. Without objection, it is so ordered.